

Government and TUC reach pre-election agreement on wages

Preparation for the coming election, Mr James in his senior colleagues, in leaders yesterday reached a joint agreement on wages, prices, and the economy in general will be endorsed by Labour's national executive and the TUC, our Labour Editor writes, although it is diametrically opposed to the unions' insistence on the reintroduction of free collective bargaining.

Upper calls for annual pay talks

The document emphasises the need to "balance" the public sector, which accounts for nearly half the TUC's affiliated membership, and the private sector to ensure that there is no discrimination against either. "We have still to reach a national consensus on the overall distribution of incomes, including income from top employment."

The joint statement adds that the background should be seen in strategic objectives about low incomes, including low pay, and the need for adequate rewards for skill, effort and responsibility as part of a move towards ensuring that contribution to society and the economy is the criterion for standards of living at the higher level rather than inherited wealth.

The statement rejects the institutions proposed by other political parties and interested groups, such as parliamentary select committees to determine the pattern of wages.

But it adds: "We do, however, believe that there must be each year a thorough discussion with the trade union movement so that there is a broad understanding in this as in the other areas of our national economic life."

That that clause has survived the lengthy process of political and trade union argument over the future relationship between the Government and the unions over pay is nothing short of amazing. On the surface, TUC leaders have set their faces resolutely against such a proposal.

The paper takes joint decision-making into "a wider democracy", arguing: "The labour movement has a central role to play in bringing about a wider, more open democracy and in creating greater equality of opportunity for all."

The years ahead, with the growing benefits of offshore oil, will provide for the British people a decade of opportunity to build a more democratic society and to make our democracy, and to make further progress in removing social and economic inequalities.

In a preamble, the paper says there has undoubtedly been a marked improvement in the climate of industrial relations since the present government took office. Days lost through industrial action have been reduced and there has been a "good response" by trade unionists in the jointly agreed programme for economic recovery. It continues: "Our task now is to defend the Employment Protection Act and related legislation, and there will be amending legislation to meet the problems which have been thrown up by certain legal interpretations. Implicit in our approach is a rejection of the notion that we must choose between a stronger economy and a fairer, more just society. The two can and must go hand in hand."

The paper recognises that unemployment is worldwide, with 16 million jobless in OECD countries alone. It goes on: "That is why we have placed such great emphasis on the need for international co-operation. The Bonn declaration, signed by the Prime Minister and the heads of the six other largest industrial nations offers the prospect of a sustained period of economic growth."

The unions and the Government see a need for a systematic change in present methods of inward and outward investment of capital. They want a tripartite foreign investment review agency to be established to ensure that multinational companies are brought into national economic planning, particularly into the orbit of planning agreements favoured by the unions and their friends in government. The document adds: "Planning agreements must play a key role in ensuring that problems such as investment and import substitution are tackled at the level of the individual firm. It is therefore essential to include, as speedily as possible, agreements with all the major companies, and where necessary the Government will bring the necessary legislation into force."

Continued on page 2, col 1



Sir Hugh Casson, President of the Royal Academy, drew the winner of the academy's first lottery yesterday by tipping the tickets over his head. The winning ticket, valued at £500, was caught behind his spectacles.

Train passengers died behind locked doors

From Craig Seton
Taunton

Firemen eventually gained entry they found burning bodies lying piled on the floor of the vestibule by the exit doors at the front of the first coach. It lay next to the only heater in the carriage, which later investigations showed had been on.

The vestibule was described by one fireman as a ball of fire. Inside it a fire extinguisher lay on the floor, but no evidence was given about how it came to have been used and by whom.

Police Constable John Walker said that when he arrived the flames in the first carriage were too fierce for him to enter. He went to the second carriage but could not open the doors. He tried all the doors in the following three sleeping carriages, but to no avail.

"I asked the attendant for a key and he produced one," he said. "He returned with me and unlocked a door and we went in."

Continued on page 2, col 2

PO to peg charges after £367m profit

By Patricia Tisdall

The Post Office reported yesterday its second successive year of record profits. The total of £367.7m is up by £76.4m on the previous year, and according to Sir William Barlow, the chairman, all main businesses were operating profitably.

Prices are to be held down at least until the end of the year, and a further provision has been made to hold telephone charges to 5 per cent below inflation rates for the next five years.

Sir William said: "This will mean that, despite the pressure of inflation, postal prices will not have risen for 13 months and telecommunications prices for over three years."

The parcel service, after many years of doubt about its future, was "fully reestablished as a service which the Post Office intends to be competitive and profitable." The telegram service is also to continue, contrary to an earlier decision, and will be improved.

Making his first report for the Post Office, Sir William, who took over as chairman last November, said: "We are proud to make a profit in all our businesses, and intend to go on doing so. In the past the Post Office has been criticized for being profitable."

This is unreasonable, since it is in our customers' best interests that the Post Office should be commercially motivated and that we should make profits to pay for growth and improvement in our services and repay loans."

Biggest contributor to the overall profit was the telecommunications business, which recorded a surplus of £325.5m.

It was also a good year for the postal side with total correspondence up from 9,382.7 million to 9,484.5 million, in what is historically one of the most difficult seasons.

The postal profit of £40.4m (only the second consecutive profit in 10 years) was £16.1m up on the previous year. Parcels apart, all main postal services operated at a profit and the parcel service loss was reduced from £18m to £5.8m, the report says.

Giro, which introduced improved customer services, including deposit accounts, budget accounts and bridging loans, reported a 33 per cent rise in profits to £2.8m. Data Processing Services earned £1.1m.

The loss on postal orders was £300,000 and on money orders, which have been replaced by Giro services, it amounted to £1.8m.

Explaining how all surpluses are ploughed back to the benefit of customers, Sir William pointed out that the Post Office continued to have one of the largest investment programmes of any United Kingdom organization.

Investment totalled some £570m in the year ending last March, and in the current year the total would be close to £1,000m.

Quality of service, page 19

Gold near record high as dollar falls sharply against all currencies

By Caroline Atkinson

The United States dollar plunged below 200 yen yesterday and the price of gold rose nearer its all-time high of December, 1974.

Gold closed just \$2½ below this peak at \$195.125 an ounce in London. The dollar fell sharply against all European currencies after a wave of selling in Tokyo had sent it below the psychological barrier of 200 yen.

Sterling put on nearly 3 cents against the United States currency early in the day, although it came back to close at \$1.5275, a rise of 1.65 cents on Friday's close.

The pound was leading the way up against the dollar, and gained ground against many currencies.

Its effective rate index measured against a basket of currencies rose by 0.3 from its pre-weekend level to close at 63.0 per cent of its end 1971 value.

Fears that the oil exporting countries might switch their pricing from dollars to a basket of currencies sent the United States rate down late on Friday.

It was reported that a working party of the Organization of Petroleum Exporting Countries (Opec) recommended this change.

Mr Anthony Solomon, United States Treasury Under Secretary, said yesterday that America had no reason to believe that Saudi Arabia or any other key Opec members are ready to shift from the dollar. The United States has put heavy pressure on the Saudi Arabians to resist such a move.

It is extremely unlikely that Opec would decide to change without considerable further discussion. And it is likely that the longer they delay the better the ultimate prospects for the dollar will seem.

Investors have been buying gold on money markets throughout the world as a hedge.

Dealers in London were surprised by the market's strength, but they now believe that the price may rise further to reach \$200 an ounce.

The dollar's renewed weakness sparked off yesterday's surge in the gold price.

A scramble to sell dollars started the sharp fall in the rate in Tokyo yesterday morning. The Bank of Japan bought a large amount of dollars estimated to be in excess of \$500m on the day—trying to hold the yen down.

The central bank bought about \$350m just above the 200 yen mark. It then withdrew from the market and left the dollar to fall amid some of the most hectic trading ever seen on the Tokyo exchange.

After the close of business in Tokyo, the rate moved still lower with the dollar touching a low in London of 197.85 yen, eventually closed at 197.85 yen, compared with 200.9 on Friday.

The Bank of England was in the markets yesterday to curb sterling's rise by buying dollars for the reserves.

Dealers believed that the authorities were trying to hold the rate below \$1.935 against the dollar. The pound has risen nearly 2½ per cent in the last two weeks. The Government is anxious that its strength should not harm British competitiveness.

On the other hand they welcome the effect on inflation which comes with a higher exchange rate. The market expects sterling to remain firm for the time being.

There is general City support for the Government's new 5 per cent guideline for pay rises. And the Government's apparent success in limiting the rise of the money supply has also cheered the market.

Unusually firm short-term money market rates in London are also making the pound buoyant.

The dollar has been weakening since the Bonn summit ended last Monday. Against a basket of currencies its effective depreciation since Smith-gold on Monday was 2.5 per cent to -8.4 per cent from -8 per cent on Friday.

The market has gradually come to believe that little will result from the economic summit to boost the dollar.

Large Davis jailed 15 years

Davis, aged 37, who by the Home Secretary was given a 17-year sentence, was in prison last night to begin a 15-year term.

Like other men admitted to Central Criminal Court in a £50,000 bid by the Bank of Seven Sisters Road, north London, last night, he was arrested and charged with armed robbery.

For the defence said that "induced" by an "induced" police officer, Davis was alleged, was a Mr. at on the raid, but was never arrested. Davis maintained that he and others provided safe transport for the loot and as the "induced" of Mr. "induced" influences, his notoriety, and on jail caused him to serve time.

Mr. Davis, QC, his solicitor, said that the public not as a villain who on the system and on one on the police, regarded as a hero.

East End campaigners, page 2

Briton jailed for German escape plan

From Greville Spitzer
Berlin, July 24

Mr Colin Semple of Bournemouth was jailed for two years and three months today by an East German court for trying to smuggle an East German to the West.

The car he and a West German used in the attempt were confiscated. Mr Semple was also banned for an indefinite period from using transit routes to and from Berlin.

Mr John B. Moorby, the British Consul, was present in the Magdeburg court when judgment and sentence were read. He was, however, sent out after the opening of the trial last Friday. The defence lawyer failed to get permission for the consul to stay in court even though he referred to the consul's presence in the proceedings.

Today's proceedings lasted about half an hour. It is not known in which prison Mr Semple, who is 25, will have to serve his term. It is assumed that the time spent in detention—Mr Semple was arrested on May 12—would be considered.

National papers to consider suspending publication if labour troubles continue

By Christopher Thomas
Labour Reporter

National newspaper managers are to tell the National Union of Journalists today that they will consider suspending publication unless there is an immediate assurance of an end to unofficial labour troubles.

Fleet Street's most recent industrial relations difficulties are affecting *The Sun*, which did not appear yesterday because of action by the 230 journalists over a pay claim of 10 per cent on basic rates, a £1,300 increase and a productivity agreement. The newspaper appears determined to resist the claims.

The council of the Newspaper Publishers' Association met yesterday and will meet the NUJ this morning. The NPA said the meeting had considered the deteriorating situation after rejection by the NUJ of national wage negotiations, and at chapel (union office branch) level, of a settlement based on the Government's Phase Three guidelines. There had been disruptive action in several offices last week.

"The NPA has already indicated in clear terms that union rejection of a national settlement based on government guidelines will in no way elicit a different response as and when house discussions take place," it said, deploring the situation. The Sun and NUJ chapel to observe joint dispute procedure.

If the situation worsens to the point of newspapers being suspended, it would not affect *The Guardian*, which settled with its journalists in April, or the *Daily Mirror*, which is not party to the labour relations side of the NPA. *The Sun* has given notice of leaving the NPA.

Begin wins endorsement in Knesset

Yitzhak Begin, the Israeli Prime Minister, has won a two-to-one endorsement of his handling of the negotiations. Mr Moshe Foreign Minister, appeared that Israel was more flexible than had been thought. It prepared to discuss it after of self-rule, he said. Page 6

is Bay obstacle to Namibia plan

Plans for South-West Africa (Namibia) seemed in danger of last-minute reservations of the African Government over it. It has informed the West that it will end discussions of the independence if the Security Council accepts the integration of Walvis Bay as a part of South Africa. Page 7

Salisbury gun battles for first time in war

Black nationalist guerrillas and Rhodesian police have fought gun battles in black townships around Salisbury for the first time in the six-year guerrilla war. The battles took place on Friday and Saturday but military censors suppressed the details until yesterday. Page 7

Bhutto White Paper

Allayed manipulation of public funds by Mr Bhutto, former Prime Minister of Pakistan, in order to win the country's general election in March, 1977, is the subject of a 405-page White Paper, with 1,044 supporting annexes, published by Pakistan's martial law Government. It is said to be based on the evidence of 900 witnesses. Page 7

Lambeth starts work

Lambeth Conference began its first working day with an address by Lady Jackson (Barbara Ward, the economist) on international social justice. There is a tension at the conference between the hopes of the more prosperous world and those from countries of the so-called third world, who seek witness to social justice. Page 3

Boycott replies with a century

Geoffrey Boycott hit back at the selectors who have omitted him from the England party for the first Test match against New Zealand, starting at the Oval on Thursday, when he scored an unbeaten century for Yorkshire against the touring side at Leeds. Page 11

Fewer communists

Membership of the Communist Party has dropped to its lowest level for more than 25 years, Mr George Matthews, head of press and publicity and a member of the party's political committee, has told *The Times*. Page 5

Ship shoppers taxed

Five hundred shoppers who made multi-free purchases on board a British "floating supermarket" were first refused permission to land in Dunkirk, and then taxed by custom officials on return to Ostend. Page 2

Paintings are found after 40 years

Two paintings by an important seventeenth-century Italian artist that had been lost for 40 years have been discovered at a house in Hampstead. The landscapes by Giovanni Francesco Barbieri, if Guercino, were identified by an Italian art critic who was a dinner guest, and confirmed through photographs taken in 1935. Page 2

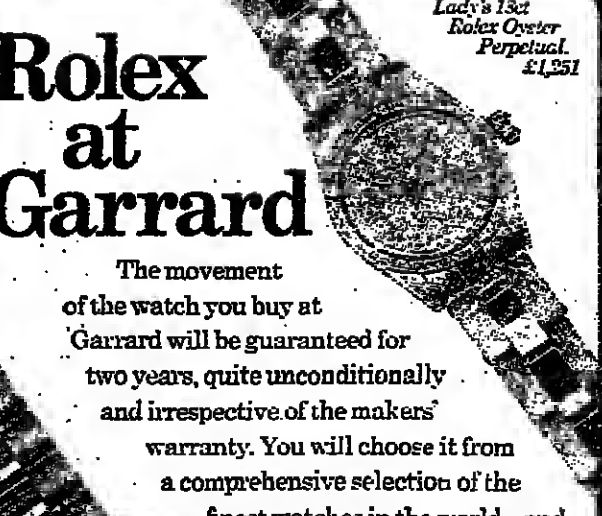
Resistance in Bolivia

Speaking to a journalist in the back of a moving car, Dr Hernán Siles Zúñiga, leader of the Opposition in Bolivia, said his party would lead a non-violent campaign against General Juan Pereda Arsuín, who seized power on Friday. Page 6

Girl shot: A girl aged four was injured in a shooting in a republican area of Belfast.

Brussels: Mr Silkin's temper is frayed by Irish fishing aid deal. Page 6

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HOME NEWS

Mrs Thatcher prepares for clash with Prime Minister on pay policy

By Fred Emery
Political Editor

The Prime Minister and Mrs Margaret Thatcher will have a debate today on the economy and pay policy, with the Leader of the Opposition for the first time in her career speaking immediately after Mr Callaghan.

The word in Conservative quarters last night was that she intends to seize the crucial opportunity to try to destroy both the Prime Minister's arguments and his credibility with the electorate. But Labour backbenchers can be counted on to give her a rough time.

With the Liberals in support, the Government is unlikely to be defeated in the vote on pay policy, so interest will centre on the party leaders' clash.

It is a rare sight if only because the Prime Minister seldom makes an important speech in the Commons. The last time she did so was in June 1974, but Mrs Thatcher let it pass, partly, apparently, because she wanted a chance to have the last word. Today she gets that, at least in the debate opening.

The two leaders will speak in the afternoon, immediately after question time. Mr Callaghan will open for the Government. The Government's motion, welcoming its latest pay White Paper, dealing with the battle against inflation, and calling for a "further sustained national effort" to keep inflation under control, will be subject to a condemnatory amendment to be moved by Mrs Thatcher. It would read:

"This House condemns the economic policies of her Majesty's Government which during the last four years have resulted in record unemployment and stagnant living standards for the British people; demands the immediate use of blacklisting to enforce pay limits; and calls for the implementation of policies for economic recovery based on realistic and responsible collective bargaining, cuts in personal taxation, and real rewards for hard work, skill and initiative."

Winding up for the Opposition will be Sir Geoffrey Howe, QC, spokesman on Treasury affairs, and Mr Denis Healey, Chancellor of the Exchequer, will wind up for the Government. Mr John Pardon will speak for the Liberals.

Lost Italian paintings discovered in Hampstead

By Geraldine Norman

Two important paintings by Giovanni Francesco Barvieri, the seventeenth-century Italian artist, which were missing for 40 years have been found in Hampstead. They are landscapes from a series painted between 1615 and 1617 for the Casa Panini in Cento, Guercino's birthplace.

Guercino had his assistants paint the 10 landscapes in fresco on the walls and transferred them to panels in 1840. Six of them passed into the collection of the Marchese Pio Roselli di Turco and are in the municipal museum in Cento.

The other four went to Francesco Filippini in Ferrara. They were photographed in the Palazzo Filippini in 1935 by Denos Mahon, the English art historian and expert on seventeenth-century painting.

The Italian owner of the paintings, living in Hampstead, inherited them three years ago from her great aunt. She had assumed that they were attractive school paintings of no special note until a friend, Signor Flavio Gatti, an Italian critic and a professor at Bologna University, came to dinner three days ago.

He suggested that they looked like genuine works by Guercino and that she should get in touch with Mr Mahon. Mr Mahon recognized them instantly from a description on the telephone, the fact that they had originally been frescoes and belonged to the Filippini family was enough to identify them. He looked at photographs of the paintings he had taken in 1935.

One of the paintings, a landscape with a mill, he believes to have been largely painted by Guercino himself; the second seems to have been mostly by his assistants.

The owner's cousin in New York inherited the other two paintings from the series and sold them at Christie's New York in June; one brought \$9,000 (£4,500) and the other \$7,000 (£3,500).

The owner of the two Hampstead paintings, who prefers to remain anonymous, moved to London four years ago. The paintings were among various belongings she brought from Florence. Although Italy enforces very strict export laws, the paintings appear never to have been listed as national interest. They were thought to be minor school pictures when she brought them out of Italy and valued at about £200.

The owner has no intention of selling the paintings.

Test pitch was damaged in the campaign to secure his freedom East End will long remember George Davis

By Stewart Tendler
Crime Reporter

It will be many years before the name of George Davis, who was sentenced yesterday to 15 years in jail, is forgotten in the East End of London. In Aldgate, Whitechapel and Bethnal Green the slogan "George Davis is innocent" is still proclaimed in white paint on roofs, walls and bridges.

The slogans began to appear more than three years ago when Mr Davis, a minicab driver, was convicted of taking part in an armed robbery on an electricity board's offices. The slogans and the campaign took account of the fact that he was charged with the third discharge after two "bung" juries.

By the end of 1973, as Mr Davis was serving his 20-year sentence in Albany prison, on the Isle of Wight, his case rapidly became the latest in a line of causes célèbres challenging the validity of identification evidence.

A year earlier Mr Laszlo Varig had been freed after being wrongly convicted on identification evidence. So, too, had Mr Luke Dougherty, Lord Widgery, Lord Chief Justice, had pointed to the dangers if identification evidence which might be seen as the most serious check in our armour when we say that British justice is the best in the world.

Late in 1975 Mr Davis's case was considered by the Court of Appeal. He was refused leave to appeal, although sentences originally set to run consecutively or commuted to run concurrently.

By then the Metropolitan Police had ordered an inquiry into complaints made against the officers by Mr Davis and in May 1976, Mr Roy Jenkins, then Home Secretary, announced to the Commons that Mr Davis was to be freed immediately.

An interim report on the inquiry suggested that the police officers who identified Mr Davis might have been mistaken. Mr Jenkins said the shift in the balances of evidence in the case was such that it would not be right for Mr Davis to remain in prison. However, there was no evidence that he was innocent, which would justify a free pardon.

A smiling Mr Davis came home to the East End from the Isle of Wight but history did not end there. In July last year he was arrested and charged with a robbery in 1973.

He was given bail and in September was arrested outside the Bank of Cyprus in north London as the police ambushed a bank robber.

Even then Mr Davis was still surrounded by controversy. The Daily Express published a photograph of the trap being set and were attacked for prejudicing the chances of a fair trial. There were questions as to how and where the newspaper had got its photograph. Later, a detective sergeant from a regional crime squad was suspended and then resigned.

In February last Mr Davis was acquitted of a 1973 robbery charge in a case that included evidence by Mr Charles Lowe, a well known informer. Yesterday Mr Davis stood again in a court dock but this time pleaded guilty.

Jury clear two men of race-charge

Two men who were charged with a racial assault on a black man in a public house in Southwark yesterday were found by a jury to be innocent.

But George Jones of Southwark, 34, and Michael Cole, 35, were found guilty of a charge of public order. They were sentenced to 12 months in prison and a fine of £100 each.

The jury was told that the two men had been seen by a witness to be shouting racial abuse at a black man who was in the public house. The witness said that the two men had been seen to be shouting "Nigger" and "Kaffir" at the man.

The man who was the victim of the assault is a black man who works in a public house in Southwark. He was seen by the witness to be shouting racial abuse at the two men.

The jury was told that the two men had been seen to be shouting racial abuse at the man for about 10 minutes. The witness said that the two men had been seen to be shouting "Nigger" and "Kaffir" at the man.

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Belgium taxes the ship shoppers

Ostend, July 24.—French and Belgian officials combined today to effectively block the maritime voyage of the British "shop ship" Aquamar. Five hundred Belgian shoppers, who had embarked at Ostend eager to buy tax-free British goods on board, were not allowed to land at Dunkirk.

The passengers, who were on board for a three-day tour, had been due to return to Belgium by bus after a three-hour voyage along the coast on board the former ferry, which has been converted into a floating supermarket.

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Workers to march on ministry

From Ronald Faux
Edinburgh

A dockyard pay dispute that has trapped two of Britain's nuclear submarines in Rosyth naval dockyard on the Forth and at Faslane is to be supported by a mass march to the Scottish Office early next month by defence establishment industrial workers.

The march, led by 1000 workers, will be a protest against the pay dispute, which has been ongoing for several months. The workers are demanding a 10 per cent pay increase.

No board seats—no pay deal, hint by unions

Continued from page 1

pressure on the companies to secure negotiations are successful. Additional statutory powers to support these negotiations will be taken.

Apart from those confident predictions of legislation from a new Labour government after the general election, the TUC welcomes the promise of legislation in the coming session of Parliament on industrial democracy in the private sector.

The unions do not believe that the White Paper goes far enough to meet their demands for participation in the running of private companies, and the TUC wants statutory rights for unions to discuss company plans and to determine policy to be made effective within the life of the next Parliament.

Inter-City trains disrupted by signal dispute

Inter-city services in British Rail's Midland region were disrupted by unofficial action by signallers at Watlington, Oxfordshire, yesterday.

The disruption was caused by a dispute over the payment of a "stoppage" to signallers who were on strike.

Concrete-mixing plant a threat to peaceful valley

By John Young

Through water meadows, woodland glades and wheat fields, the river Glaven threads its way across a dozen miles of remote north Norfolk. It is a filament in a landscape described by many as the most unspoiled in the whole of southern England.

But alongside the river runs a ridge of high-grade gravel, and the tranquility of the valley is threatened by a new concrete-mixing plant. Local people fear that their view will be ruined, the river polluted, and their crops choked with dust and the narrow lanes with traffic.

Disability grant plan under critic

By Par Healy

The opportunity for a new disability grant plan is being criticised by a group of people who are concerned about the needs of disabled people.

The group, which is called the "Disability Rights Group", has written a letter to the Secretary of State for Social Security, Mr Kenneth Robinson, expressing their concerns.

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In brief

£1,050 fines over methanol

Unalco, of Greenwich, a petroleum subsidiary of Tate and Lyle, was fined £700, and Owen Dives, a transport company, of Rotherhithe, London, was fined £350 by Feltham magistrates yesterday for admitting 33 offences relating to the carriage of drums of methanol.

Survivor speaks of deathly silence on blazing train

Continued from page 1

He had also gone to the other side of the carriage to try the doors but they would not open.

Station Officer Brian Hockey, of Watlington fire service, said he discovered one body in the corridor and the other in one of the double compartments. In the next one a man's body was seated in the corner; two male bodies were in the following compartment, and a man and a woman, both dead, in the next.

Man loses fight over deportation

Ottawa, July 24.—Patrick McCarthy, aged 24, lost a prolonged legal battle against deportation from Canada to the Irish Republic today.

His lawyer said that he would be put on a flight to Dublin.

Shopkeepers' evidence for mother on vice charges

Victoria Hughes, aged 39, of Delft Walk, Salford, Greater Manchester, denied that she had sold her children into vice.

She said she was a "very nice" mother and that her children were "very good" children.

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Hughie Green appeal

Hughie Green, the television presenter, was given leave at Southwark Crown Court yesterday to appeal against his conviction last week on a drink and driving charge. The driving ban imposed on him was lifted until the hearing.

Mother complains about sterilization against will

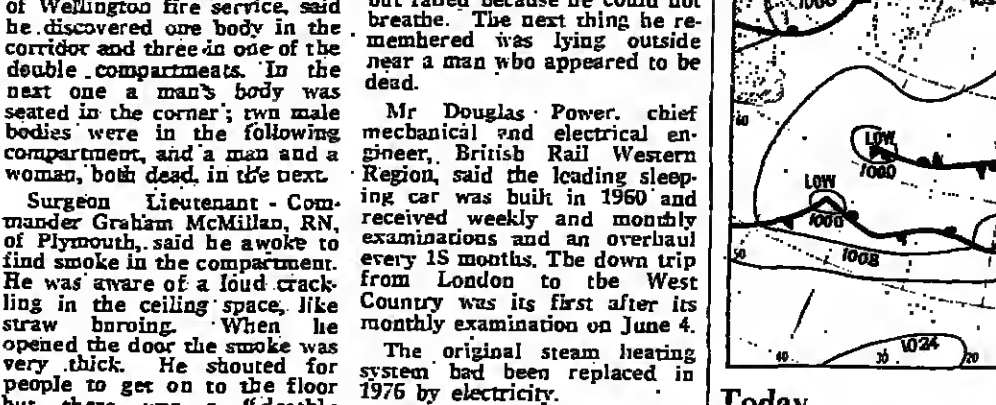
From Our Correspondent
Birmingham

A mother of 13 children maintained in the High Court, sitting in Birmingham, yesterday, that a maternity hospital sterilized her without her consent. She said that since the operation she had left her husband and her family.

Janie Jones payment

Janie Jones, the singer, who was sentenced to seven years' imprisonment on vice charges, has now paid off the £16,000 legal costs ordered against her at the end of her trial.

Weather forecast and recordings



Shopkeepers' evidence for mother on vice charges

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Burnley order on dogs

After the High Court decision upholding its by-law on dogs in parks, Burnley council, Lancashire, has listed 1,475 houses where dog owners will have to keep their pets on a lead.

GCE scripts lost

GCE English literature examination scripts sent from Oundle Comprehensive School, at Wombourne, near Wolverhampton, have failed to reach the marking centre in Cambridge, it was announced yesterday.

Policemen suspended

Two Dorset policemen have been suspended and the case, concerning a man arrested for being drunk and disorderly, has been referred to the Director of Public Prosecutions.

Speelman holds chess lead

Jonathan Speelman retained the lead in the Robert Silk chess tournament in London with a win in yesterday's eighth round (a Chess Correspondent writes).

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Overseas selling prices		At the resorts	
Australia	100.00	Blackpool	100.00
Canada	100.00	Bournemouth	100.00
France	100.00	Brighton	100.00
Germany	100.00	Brighton	100.00
Italy	100.00	Brighton	100.00
Japan	100.00	Brighton	100.00
Spain	100.00	Brighton	100.00
Switzerland	100.00	Brighton	100.00
USA	100.00	Brighton	100.00

JUNE NEWS

Lambeth Conference is minded of challenge for social justice

Lord Longley, Affairs Correspondent

At working day of the Conference began at University at Canterbury with a sharp of one of the most challenges facing the Communism.

Barbara Ward, (omist), was given, a ovation for a keynote of international social concentrating on energy.

About a third of the bishops attending the e are from countries called third world, and the main internal of the conference is then and the bishops "white" and more world.

ant of feeling is running: the third-world who are expecting the world justice to be only by the Lambeth e this year. As a mounion now virtually dependence on the f England, the chal- to transcend geo- and political loyalties gister some coherent ing witness to social ness the conference that, some bishops Anglican Communion lose credibility among e militantly-minded of the third world.

mission will probably by shown as the con- cept, and the no doubt depend to ent on the attitude stantial contingent of on the United States. adian bishops might a meeting role in e conflicting forces

acksoo told the 450 bishops: "We are

facing the demand of 80 per cent of humanity that the political emancipation of history, which is not yet complete, should be accompanied by social and economic emancipation."

There was foot-dragging whenever international leaders met to talk about the fairer distribution of world wealth, the said, but the thought the general mood was more hopeful. The complacency of the 1950s and 1960s had vanished, and the 1970s were a time of ferment.

The conference is the first in the history of the Anglican Communion to be residential, and the close proximity of the bishops on campus is likely to provide a cementing influence between different parts of the church, based on new personal friendships.

About two thirds of the bishops have not attended a Lambeth Conference before—they are held every 10 years—and for many this is their first visit to England. Apart from a shared tradition of liturgy and theology, the conference is the main focus of unity in the Anglican Communion without which it would have little meaning.

The conference has many facets, not excluding the lighter side. During the first week it is dominated by the personality of Metropolitan Anthony Bloom, the Russian Orthodox leader in Britain, who is delivering the daily spiritual lecture and conducting a spiritual retreat for the bishops on Wednesday at the invitation of the Archbishop of Canterbury, Dr Donald Coggan, the conference president.

The work of the conference will be done mainly in private sessions, or sections of the conference, and each section will present its findings to the whole conference in plenary session later.

Whitehall brief: Glasgow's fiscals bear little resemblance to 'Sutherland's Law' The worst housed senior civil servants in the land

By Peter Hennessy

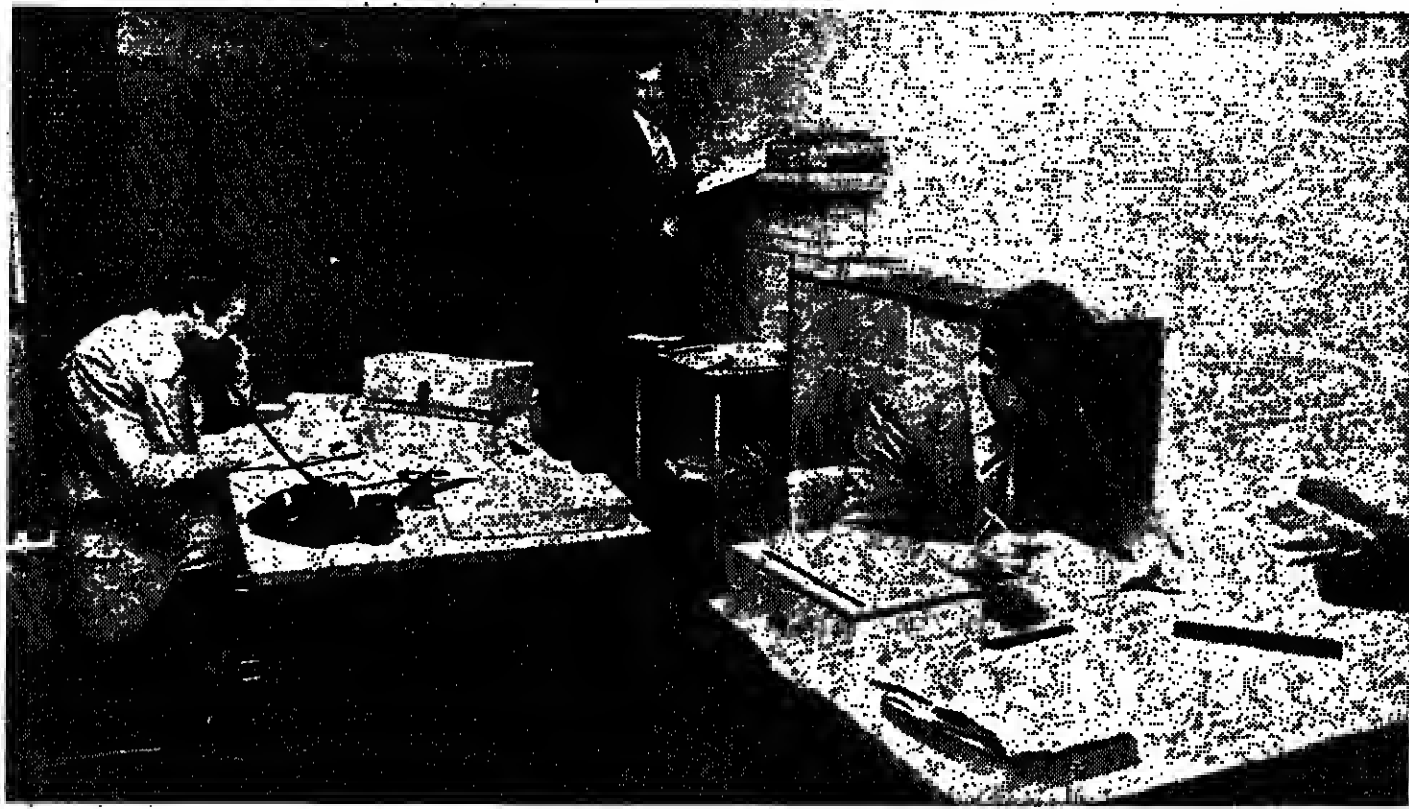
Television has made heroes of Scotland's state prosecutors, the procurators fiscal. The BBC's *Sutherland's Law* has what one real fiscal calls "a pantomime Scotsman" leaping into lochs and climbing mountains in search of evidence to the liking strains of Hamish MacCunn's "The Land of the Mountain and the Flood".

Glasgow's procurators fiscal can be cutting about the fictional Mr Donald Sutherland and their more favoured real life colleagues in places such as Perth and Portree. The difference between their professional lives, they say, can be summed up in one word, "crime—the big case of the week in the country is when somebody receives a stolen guillotine's egg".

Glasgow fiscals are tough, photo-speaking men without a trace of the smoothness that the legal profession so often exudes. A visiting lawyer from Chicago, to their unconcealed delight, once described them as "those hard-nosed prosecutors from the west".

They seem even meaner than usual these days because, in union terms, they have had enough. They are almost certainly the worst housed senior civil servants in the land. The Glasgow contingent of the Procurators Fiscal Society, an active body affiliated to Whitehall's "top people's" union, the First Division Association, is showing every sign of the militancy traditionally associated with Red Clydeside.

The Glasgow Sheriff Court, which vies with another in Hamburg as Europe's busiest, handles 30,000 cases a year, from urinating in the street to murder. In the words of Mr John McGlenan, the man who had those sharp things to say about the guillotine's egg. They are housed in attic and the old City Chambers and wander about corridors filled



The procurator fiscal of a Glasgow Sheriff Court (centre) using the mantelpiece as a desk in a room known as the "kennel".

with sundry members of the criminal classes and their vic-tims.

The surroundings are as squalid as some of the felonies the court hears about. Every-body involved is demeaned. "The fiscal in the country has a status in the community. In Glasgow, he is just the [un-mentioned] who got me three months", Mr McGlenan says.

His colleague, Mr Thomas Docherty, a very senior fiscal, has the luxury of a room to himself in the roof, but the sky-light leaks and he must move his desk to avoid the drips when

it rains. Graffiti in the grime on the wall bear the date Octo-ber 25, 1973.

The worst room of all is known as the "kennel", because it was once occu-pied by a fiscal with the name of Sandy Collie. One of its inmates is obliged to use the mantelpiece as his desk. He puts his name-plate up when a member of the public comes in to be interviewed about evidence.

Scotland's Crown Agent, the fiscals' professional head, and not the mail-order man who sends medals to President

Amin, has found them "new" accommodation in the old Custom House down by the Clyde.

Their present summary room has 280 sq ft to house seven people who process all new cases thrown up by the 1,250,000 people in the court's catchment area. They and the huge Glasgow policemen who come in to do business will have to make do with 270 sq ft in the Custom House if the move takes place on time.

The BBC should make a film about Glasgow's "persecuting physicals", as their public like

to call them, to set the life and perspective, but there would be no room for anything bigger than a Brownie box camera in their present accommodation. If they did they would find it is black humour rather than the courteous Highland noblesse oblige of Sutherland's law that sustains them through the working day.

Over lunch Mr McGlenan was fastidious about his choice of meat course: "You never know what's in steak pie; it might be one of the clients", he confided.

Commercial TV to cut foreign programmes

By Kenneth Gosling

Less foreign-produced material, including American films, will be shown on commercial television in future as a result of a decision by the Independent Broadcasting Authority to increase the proportion of home-produced material by 2 per cent to 86 per cent.

It has also decided, after consultation with the companies and the unions, to reduce the amount of imported material that can be shown during peak viewing times in the evening. That period has been redefined.

The companies were said yesterday to be not particularly pleased at the prospect of a change; the reduction is only two hours in a 100-hour viewing week, and the proportion of home-produced material, though it should be more in view of "the gigantic profits" of the independent companies.

Mr Colin Shaw, IBA director of television, said at a press conference that it was the first alteration to be made in the quota arrangements, which in future would be subject to an annual review. He hoped it would mean fewer repeats in the schedules and greater employment opportunities as the companies put more money into home production.

In the 12 months up to the middle of last year the com-panies spent £7.5m on "acquired material" two thirds from overseas. The BBC's proportion of home-produced material, at 84 per cent for 1976-77 was the same as the companies'.

The IBA plans to increase the home quota over the next 12 months. Peak viewing time is now defined as running from 6.30 to 10.30 pm from Mondays to Saturdays, and from 7.15 to 10.30 pm on Sundays. Previously it was 7.30 to 11 pm.

new call help for priorities

ocial Services dent

it review of policy minority communities services departments: l for yesterday in a n the Commission a munity. One and a few ally and explicitly to the implications: services of a multi- tiple, it said.

spouse of social ser- vants to the exist- ing racial communica- tion, pleasure, and a "guerry" it said.

comprehensive review le of local authorities to combat racial dis- in, to reduce inequal- ity ethnic groups and racial hostility and in-

port was produced by working party of the n of Directors of vices and the commis- sion has been meeting ruary 1977. A ques- sent to departments that nine tenths kept s of the ethnic origin aft and only a quarter on clients.

of the 62 authorities under had used the ice grants available to work with minority r social services.

ed practices on staff nd recruitment record and community based could not be justified variations, or needs, it

port laid some blame ck of guidance from rument of Health and curity.

Britain: The Social Response (Commission Equality, Elliot House, lington Street, London 4, E1).

Ten years' jail for informer on robberies

A man who gave the police information on 30 robberies was jailed at St Albans Crown Court, Hertfordshire, yesterday for 10 years for armed robberies. Operation Gold Dust was the code name given by the police to the confessions of Leroy Davies, who turned informer.

Armed detectives were on duty yesterday to protect him when he appeared to be sentenced after pleading guilty to seven armed robberies in which more than £317,000 was stolen, one charge of conspiracy to rob

and seven charges of carrying firearms. He asked for 33 offences to be taken into consideration, including 15 robberies and 12 conspiracies to rob.

John Gorman, aged 38, of Fordwych Road, Cricklewood, London, pleaded guilty to one charge of robbery and a charge of possessing a firearm. He was sentenced to nine years' im-prisonment.

Mr Davies, aged 31, became an informer when he was arrested for a £250,000 raid on a security van. As a result of his information some men have been arrested, but the police

are still following the leads, it was disclosed in court.

Mr Roger Frisby, QC, for the defence said: "The information he has given is about men who the police believe to be among the most violent and dangerous criminals in the country." Mr Davies had "put his head in the noose".

The court was also told that during the three months Mr Davies had been in police custody he married the mother of two children. Mrs Elizabeth Davies, aged 17 told the court that she and her children were now living under assumed names in police protection.

Strike causes 'Aida' to be postponed for a year

By Martin Huckerby Music Reporter

The English National Opera announced yesterday that it has postponed its new production of *Aida* until the 1979-80 season. It had been due to start on October 18.

Difficulties caused by the recently resolved strike by the chorus of the London Coliseum have affected the planning for the opera. The company said it had proved impossible, in the time available to keep spend- ing on *Aida* within its budget.

To fill the gap, there will be

e revival of another Verdi opera, *Don Carlos*, using the cast scheduled for *Aida*.

Aida was to have been re- placed in November. It will be replaced by *Madame Butterfly*.

Milage rates protest

Twenty ambulance staff em- ployed at Cambridgeshire con- trol headquarters started a week's overtime ban yesterday in protest over milage rates for using their own cars to and from the headquarters at Hun- tingdoo.

Court worried about divorce case injunction pleas

The divorce court authorizes in London are clamping down on one-sided applications for in- junctions after a recent survey which showed that nearly half such cases were "unmerito- rious".

Lawyers have been reminded that ex-parte applications, for instance, when a wife seeks to have her estranged husband ordered out of the house in his absence, should not be made unless there is immediate dan- ger of serious injury or irrepara- ble damage.

In a "practice note" Mr Robert Bayne-Powell, senior registrar of the Family Division of the High Court, says that S. George Baker, President of the Family Division, is concerned by the increasing number of ex- parte applications "which could, and should, have been made, if at all, on two clear days' notice to the other side".

Mr Bayne-Powell said the delays in the unmeritorious cases wasted time, caused need- less expense, usually to the Legal Aid Fund, and was unjust to respondents.

Wales looks forward to her own fourth channel

From Tim Jones Cardiff

The setting up of a fourth, mainly Welsh language language, television channel for Wales, which is expected to be confirmed tomorrow in the Government White Paper on broadcasting, will be regarded in the principality as one of the most important measures ever taken to secure the future of the tongue.

The whole question of a fourth channel has become an emotional and political topic in Wales, and the White Paper is widely expected to recommend a fourth channel for the prin- cipality before the rest of the country.

In the past decade four im- portant reports have urged the Government to establish a Welsh language channel and the pressure for its creation has increased as the language has declined.

The Government's failure to give a firm date for opening of the channel has led to a huge campaign of civil disobedience in Wales. Hundreds of people have been fined or imprisoned for damaging broadcasting installations or refusing to pay television licence fees.

For some time the Govern- ment has been committed to establish a Welsh language channel, but it has pleaded lack of funds as the reason for delaying implementation.

Of late, however, the polit- ical screws have been turned, the Labour Party in Wales throwing its considerable weight behind the effort to save the language.

A recent report by the Gov- ernment-appointed Council for the Welsh Language said that the language was in crisis. It added that to establish the fourth channel in Wales would have cost £10.9m in capital spending in 1976, and to main- tain it would cost £6.5m a year at 1976 prices.

rest in Cornish language reviving

their Celtic awareness sional separatist fer- est. Cornishmen could as much as the time their ancient Britonic But not since Dolly the last known native of Cornish, died in le in 1777, have so them been able to say rapping their tongues Nyallaf-og kensel

ase means: "I do not wish." In this fifthi- ry year of the official of the tongue, the Cor- guage Board has had a ntry for its oral exam- and Cornwall County has received an unpri- response for its com- on of evening classes

e numbers involved are two hundred students olled for the classes in ows and villages, and yna Combellack, gen- are about five hun- cakers of Cornish, of ewer than fifty are

However, when the as founded ten years y about a dozen Cor- could speak the lan-

ard, established by en- c volunteers and now under the wing of the on Cornish Studies, a based in the council Exeter University, is d by financial strin-

More students may the language if the ould afford to publish texts for study. An on for a grant of for new publications is sidered by Unesco, the greatest need is for a orary Cornish dictio-

Regional Report Alan Hamilton Camborne

ary, the present volume composed early in this century being deficient in modern ideas and idiom. A new edition would undoubtedly include the Corn- ish words for television (pell- gwolk: long-looking), telephone (pell-gwessel: long-talking), bi- cycle (margh-horn: iron horse), and such jargon as "no way" (na fors).

For new ideas Cornish bor- rows first from its closest rela- tive, Breton, and then from Welsh. Only if all Celtic avenues fail does it borrow from English. For example, the Cornish for train is tren.

The gorsedd, Cornwall's near- est equivalent to an esteddof, was founded 50 years ago and has been a considerable influ- ence in keeping the language alive, with its annual competi- tions for Cornish prose and verse composition. But there is no money to publish the winning entries and a wider audience is thus denied any substantial body of modern Cornish literature.

But the language board has recently made significant head- way. Five schools in the county now offer Cornish in the cur- riculum, and Redruth Compre- hensive School has persuaded the regional examination board to accept a CSE paper in Corn- ish. Out of the 14 students who passed the language board's top- grade examination this year, 10 have been recommended for bardship of the gorsedd.

The greatest single factor in the death of Cornish in the eighteenth century was prob- ably the lack of a Cornish Bible. Some amends are being made: two of the four gospels have been rendered into Corn- ish, and the Bishop of Truro has set up a committee to advise on the growing use of the lan- guage in church services on special occasions.

A fair body of religious literature, including a complete Mystery Cycle, a Creation and a Noah play, and a unique Saints' Play, survives in medi- eval Cornish, which is identical with the unified Cornish taught today except for a standardiza- tion of spelling by the pioneers of the language revival, Henry Jenner and Morton Nance, in the 1920s.

A small amount of Cornish literature is being written, chief- ly traditional tales, patriotic poetry, and stories of King Arthur.

Interest is not totally con- fined to the locality; a univer- sity lecturer in Quebec, after favourable response to his lec- tures on the Quechua language of the Bolivian and Peruvian Indians, has launched a course in Cornish.

Nor are the language board's missionary activities confined to the academic. Two sponsored groups of Cornish speakers, called Yeti An Veyre (Lang- uage of the people) tour pubs in the county, hoping that their conversations will excite the in- terest of others.

Miss Combellack believes that the revival of interest in the language springs from the Cornishman's sense of national- ism, stimulated by a depressed tin industry, high unemploy- ment, and much talk of devo- tion elsewhere in the country.

Why burn money?

If you want your company to win the fight against rising costs turn to page 17

PARLIAMENT, July 24, 1978

Government will be blocking EEC directive on mowers

House of Commons
There seemed to be something to be said for the view that the European Commission's whole approach to harmonization was ridiculous and misguided, on the basis of the one that proposed to harmonize the levels of noise from lawn-mower noise, Mr Michael Meacher, Under Secretary for Trade, said. He added that the British Government would block that directive.

He had been asked by Mr John Ellis (Brigg and Scunthorpe, Lab) what effect he expected EEC directives to standardize the levels of noise from lawn-mower noise, Mr Michael Meacher, Under Secretary for Trade, said. He added that the British Government would block that directive.

Mr Meacher (Oldham, West, Lab)—If those proposals become directives without further amendment, the effect on our trade might well be negative, but we shall seek to change them to avoid this.

Mr Ellis—Would the minister accept that if there is a problem of noise from mowing or grinding machinery, in Brussels, Bonn, Bolton, Birmingham, and other places are better able to deal with their problems themselves.

Since the minister has said that the legislation is likely to have no effect, will he cease from participating in that kind of useless negotiation in which the Commission, whatever one's view, is making itself a laughing stock?

Peers do not insist on PR for Wales

House of Lords
The House agreed not to insist on its amendments to the Wales Bill providing for an additional member system of proportional representation for elections to the assembly.

When Commons reasons for disagreeing to certain Lords amendments were given, Lord Elwyn-Jones, the Lord Chancellor, said it would be wrong to insist upon the PR provision in the light of the overwhelming opposition to it in the Commons.

Lord Lloyd of Kilgeran (L) said the Government and the Labour Party in their attitude towards PR had done a grave disservice to the people of Wales. The Labour Party in Wales was more obsessed with power and patronage than with any question of social, economic or electoral reform.

Local government: The Opposition recognized that all was not well with local government in Wales but they did not see the need for a review for either a reorganization or a review upon which such a reorganization should be based. Lord Elwyn-Jones said he moved that the House should not insist on the amendment to remove the clause requiring an assembly to review the structure of local government in Wales. Instead, he proposed a substitute amendment requiring Parliament to initiate the review at a time it saw fit.

Lord Heycock (Lab) said the eight Welsh counties of which he was privileged to be president, were opposed to the assembly being able to reorganize local government. There was no need at the moment for any such reorganization in the Principality.

Lord Elwyn-Jones, the Lord Chancellor, said there was a feeling of unease as to whether the system of local government and its structure in Wales was the best system.

The original amendment would have removed the obligation on the assembly to carry out a review of local government structure, but under that amendment the assembly would be free to pursue of its own accord a local government review.

Under the present amendment, the assembly would be debarred from doing this. This was a substantial difference.

There had been fear that the assembly would proceed on a slashing programme by abolishing county and district councils and arrogating power to itself. There were no grounds for such fears. The amendment reflected a lack of confidence in the assembly.

The amendment was carried by 102 votes to 77—majority against the Government, 32.

The Government were defeated by 97 votes to 84 on a substitute amendment to the Welsh Development Agency and the Development Board for Rural Wales from those to be devolved to the assembly.

Amendments reserving the powers and functions of not only the two development bodies but also those of the Land Authority for Wales were not insisted upon by the Lord Chancellor.

Retaliation likely if controls put on imports

A more general policy of import controls would lead to retaliation action against British exports because the majority of Britain's major trading partners had the same problems and would be unlikely to acquiesce in restrictions, Mr Edmund Dell, Secretary of State for Trade, said at question time.

Mr Dell (Birkenhead, Lab)—I have asked upon what evidence his department based their view that the imposition of selective import controls would result in retaliatory action.

Mr Dell (Birkenhead, Lab)—I have asked upon what evidence his department based their view that the imposition of selective import controls would result in retaliatory action.

I take the view that a more general policy of import controls would lead to retaliatory action against our exports because the majority of our major trading partners have the same problem of high unemployment that we have and would, therefore, be unlikely to acquiesce in restrictions which would cut their own throats.

Mr Dell—Britain is seen as an easy and attractive market by many manufacturing nations seeking to export their goods. That has got the most favourable balance of trade with this country, for example Japan, are clearly on the point of cutting their own throats by taking retaliatory action against Britain.

Mr Dell—I take the view that it is possible for certain nations, as has been done with Japan, to agree voluntary restrictions arrangements. But more general restrictions would provoke retaliation and retaliation would be an easy and attractive market; that is why British industry should make itself competitive to supply that market.

Mr Dell—The Government came to power with a slogan saying they would get people back to work. In October 1974, they were saying that unemployment was beginning to fall, yet since that time there has been a consistent steady rise, and there is justification in the argument that world conditions had led to increases in unemployment.

However, in 1973 and 1974, the year of the hike in oil prices and the following year, United Kingdom unemployment rose to a level well above the average of the OECD countries. In 1975 they began steadily to rise and overtake the OECD average. In 1976 they were well above and in 1977-78 Britain on the OECD comparable statistics was nearly the worst country in the world.

But over the last nine or 10 months there has been a slight drop in unemployment. What has happened is that the rate of increase has slowed down. It is less than a reversal of the earlier policies of the Government. The reduction in the rate of increase followed the reduction in the rate of increase.

The Conservative Party was against the indiscriminate use of subsidies, but they gave a fair warning that they would not do so. The Act and the scare stories that they would axe jobs subsidies when they came to office were untrue. They have not done so. Perhaps the only help should not become a permanent subsidy.

More than one million jobs were created in the last year. Four years to maintain employment levels at their present mark, and that would have no effect on unemployment. The Government is not more complicated as the microprocessor revolution started.

Move to cut small firms' form-filling

Mr James Callaghan, Prime Minister, said in a written reply—I have asked all ministers in charge of departments to carry out a comprehensive review of both statistical forms and administrative forms that affect small firms.

The review of statistical forms will cover all regular statistical surveys that include small firms, with a view to reducing their number, frequency and degree of detail. This review will be subject to central control, will produce results quickly and will have covered the whole field within one year.

Administrative forms present a different kind of problem. They cannot be considered in isolation from the policies and procedures from which they stem. But the number of forms must be kept to a minimum; where a form has to be used it should be as uncomplicated and straightforward as possible.

To each department a junior minister will be responsible for supervising these reviews and for ensuring that proper attention is paid to the needs to limit the burdens which statistical and administrative forms place on small firms. A regular report on administrative procedures will be made to the Parliamentary Under Secretary of State at the Department of Industry with special responsibility for small firms in this area and pursuing them with the Government department or agency concerned.

Parliamentary notices
House of Commons
Today at 4.30: Debate on the economy including the White Paper on Inflation.
House of Lords
Today at 2.30: Home Insurance Bill (Second Reading). Debate on export of live farm animals.

Unemployment rising at the rate of 25 an hour under Labour

For every hour that the Government had been in office 25 extra people had been added on average to the number without work, Mr Harold Wilson, Prime Minister, said. He added that the Government's failure to live up to the slogan on which they won power in February, 1974, "Back to work with Labour", was a disgrace.

Mr Wilson (Leamington, Lab)—The Government's failure to live up to the slogan on which they won power in February, 1974, "Back to work with Labour", was a disgrace.

In March, 1974 (he went on) there were 1,700,000 unemployed people in the United Kingdom. The latest figure is 1,845,000. That means that for every hour that the Government has been in power 25 extra people have been added on average to the numbers of the unemployed: 25 for every hour of the day.

Over 330,000 of the unemployed had been unemployed for more than one year. That was a worrying figure.

Disadvantaged groups within society were suffering most. The young blacks in the big cities were suffering a higher rate of unemployment than other groups. Those without qualifications were much less likely to get a job on leaving school than those who had. The long-term unemployed and the disabled, particularly the young disabled, faced problems. The incidence of unemployment was rising sharply among young men.

He did not know how many of these disadvantaged groups would be following procedures to get a job. Many of them could not care less what was going on in the Government. They had opted out of the system.

The Government came to power with a slogan saying they would get people back to work. In October 1974, they were saying that unemployment was beginning to fall, yet since that time there has been a consistent steady rise, and there is justification in the argument that world conditions had led to increases in unemployment.

However, in 1973 and 1974, the year of the hike in oil prices and the following year, United Kingdom unemployment rose to a level well above the average of the OECD countries. In 1975 they began steadily to rise and overtake the OECD average. In 1976 they were well above and in 1977-78 Britain on the OECD comparable statistics was nearly the worst country in the world.

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Finding new uses for redundant churches

Some 224 churches which had been closed since the Second World War are being put to new uses, Mr James Callaghan, Prime Minister, said. He added that the Government was committed to finding new uses for these churches.

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He told MPs—I have received a number of representations expressing concern about the future of churches which have been closed since the Second World War. The Government will continue their efforts to develop and bring into use churches which have been closed since the Second World War. We hope it will be possible to improve tanker safety and reduce oil pollution.

Important provisions in this connection are included in the draft Merchant Shipping Bill which was appended to the recently published White Paper on Action and Safety at Sea.

He added that the Government would inform the House of the results of the consultation on the proposed changes to the Merchant Shipping Bill.

Mr Ian Gow (Eastbourne, C)—What has happened to the Government's proposals to IMCO for manning of fishing vessels? He added, was a problem which had been identified in relation to a number of fatal accidents. He asked the Government to look into this.

Plans to reduce oil pollution in new merchant shipping Bill

The Government proposed to introduce the Merchant Shipping Bill next session, Mr Clinton Davis, Under Secretary for Trade, said. He added that the Bill would contain provisions to reduce oil pollution.

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Lack of safeguard clause delayed action on Greek textile imports

Imports of Greek knitted shirts and blouses increased above the agreed quota during the first four months of this year. Action would have been taken sooner if the EEC Commission had not omitted a safeguard clause in the EEC-Greece agreement, Mr Michael Meacher, Under Secretary of State for Trade, said during questions.

Mr Meacher (Oldham, West, Lab)—Imports of Greek knitted shirts and blouses increased above the agreed quota during the first four months of this year. Action would have been taken sooner if the EEC Commission had not omitted a safeguard clause in the EEC-Greece agreement, Mr Michael Meacher, Under Secretary of State for Trade, said during questions.

He told MPs—I have received a number of representations expressing concern about the future of churches which have been closed since the Second World War. The Government will continue their efforts to develop and bring into use churches which have been closed since the Second World War. We hope it will be possible to improve tanker safety and reduce oil pollution.

Important provisions in this connection are included in the draft Merchant Shipping Bill which was appended to the recently published White Paper on Action and Safety at Sea.

He added that the Government would inform the House of the results of the consultation on the proposed changes to the Merchant Shipping Bill.

Mr Ian Gow (Eastbourne, C)—What has happened to the Government's proposals to IMCO for manning of fishing vessels? He added, was a problem which had been identified in relation to a number of fatal accidents. He asked the Government to look into this.

Government have created extra 400,000 jobs since 1974—minist

Mr Harold Wilson, Minister of State for Employment (Doncaster, Lab) said the Labour Party never had, and never would, use unemployment as an instrument of policy.

Between mid-June, 1972, and mid-June, 1977, the total number of people added to the labour force was 900,000 odd. The Government would have had to create an additional 900,000 jobs to have stood still at the 1972 level. In the event, they created 400,000 additional jobs so there were 400,000 more people in employment than in mid-1972. While unemployment had gone up to 10.5 per cent, the number in employment had increased by 400,000.

There had been widely irresponsible headlines about unemployment allegedly reaching 1,700,000 in 1977-78. The figure of 1,700,000 submitted in a letter by the Chancellor of the Exchequer to the chairman of the subcommittee of the Expenditure Committee for unemployment in 1978-79 was a working assumption, not a forecast, given in the autumn of 1977. The latest expenditure estimates published in January, 1978.

As a figure it was not comparable with the official unemployment figure. It included an allowance for temporarily laid off workers, which was excluded from the official employment figures.

What it would be a year hence was nobody's business.

In any case, the assumption of 1,700,000 was made last autumn and had subsequently been revised downwards. The Government gave the revised estimate to the Government's own committee for unemployment in May 1978. An estimated level of 1,700,000 on that basis the official unemployment figures in 1978-79 would be expected to be lower.

No unemployment forecasts could ever be regarded as a true prediction of the future.

It was impossible to know to what extent plans and expectations could be realized. One illustration was that world trade expansion must be a major factor in the Government's strategy to maintain employment and sustain economic growth. The Government had been seeking that in cooperation with other industrial countries but they could not know the outcome.

Other countries were as anxious as was Britain to bring down unemployment and to increase world trade.

Everyone accepted that excessive inflation injured employment. The Government had brought down inflation from 27 per cent in 1975 to 7.4 per cent now and maintained a large share of overseas markets but the result depended not solely on the Government but on the response of industry itself.

They were signs that industry was responding to Government measures.

The latest available estimates showed Britain's share of manufacturing exports was 9.25 per cent in 1977 compared with 8.7 per cent in 1976. The results in 1978 and 1979 depended on the efforts of all sectors of industry.

That was the surest and best way to bring down unemployment. It would have been worse but for the revised estimate to the Government's own committee for unemployment in May 1978. An estimated level of 1,700,000 on that basis the official unemployment figures in 1978-79 would be expected to be lower.

No unemployment forecasts could ever be regarded as a true prediction of the future.

Call for shift from direct to indirect taxes

Mr Geoffrey Rippon (Hexham, C) said that the Government's economic policies were fundamentally unsound and the need for productivity and growth could only be met by a fundamental change in the thrust of these policies, for example in the basis of taxation, in particular from direct to indirect taxes, with a greater emphasis on incentives.

Job creation and saving schemes were costing £530m but were only creating 10,000 jobs. The Government was better to increase investment, particularly in new building, such as houses, hospitals or schools.

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Purchase of BAC 1-11s expected

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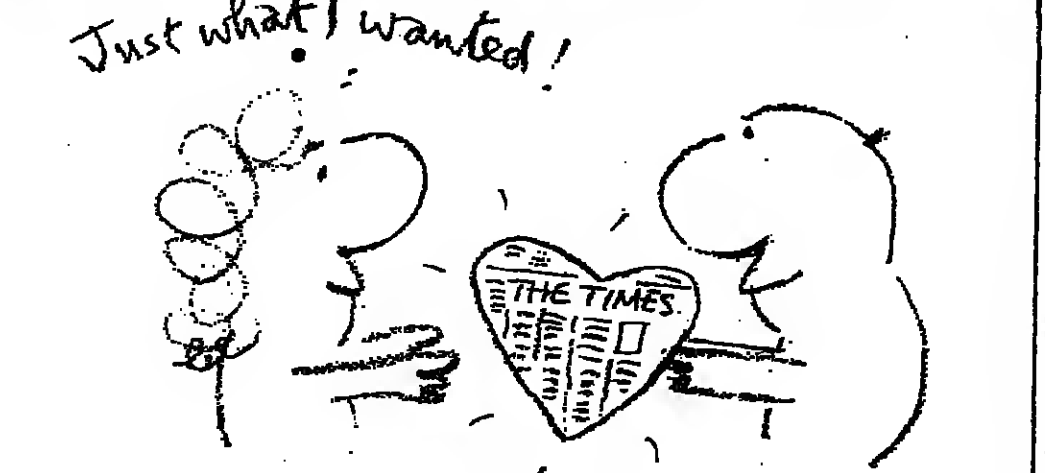
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ME NEWS

Counties predict extra on rural rate if int is made direct

Topper Warman, government undersecretary, says in rural areas an extra 5p charge on the rate will be a change in the Government's policy to councils in the Association of Councils (ACC), said the Association of Councils (ADC), which is 333 councils in the metropolitan parts of England and Wales, wants part of the extra 5p charge to go direct to the district rather than, as at present, the county council.

There would be differential incentives on authorities to incur extra expenditure; the scheme would thus be likely to lead to an overall increase in district spending. Considerable administrative costs would inevitably be involved. Mr Hetherington said the practical consequences for the ratepayer had not been considered. In general, ratepayers in the more urban areas could expect a lower rate ball, at the cost of rural ratepayers. "All the money has to come out of the same grant total," he said. "The effect would be to cause sudden changes in the rates between one district and the next, which would be very difficult to explain to the ratepayers."

Disagreements over strategy for broad democratic alliance of left disclosed Communist Party membership at lowest for 25 years

By Ian Bradley

Membership of the Communist Party has dropped to its lowest level for more than twenty-five years, a senior official admitted yesterday. In an interview with *The Times* to coincide with the beginning of a television series on British communism, Mr George Matthews, head of press and publicity and a member of the party's political committee, said the number of membership cards issued so far this year was about 22,000. "Full membership counts are taken every two years. At the last count, in summer, 1977, there were 25,293 members. In 1975 there were 28,519. The latest figure suggests that the decline is continuing at the rate of between 5 and 10 per cent a year."

Mr Matthews said: "I think the decline in membership has affected all groups on the left. They are either stagnant or declining. It is also affecting the Tribune Group. The fact is that, in the ideological field, the Labour Government has succeeded in getting through its social contract ideas to the working people and in persuading them that inflation is caused by high wage claims." Of the other two main left-wing parties in Britain, the Socialist Workers' Party claims a membership of between 4,500 and 5,000, and the International Marxist Group a full mem-



Mr George Matthews: "A temporary situation."

bership of 1,373 with a thousand sympathisers. Both maintain that they have increased membership significantly over the past year, partly at the expense of the communists. Mr Matthews admits that the Communist Party performed badly in recent elections in the Amalgamated Union of Engineering Workers and that it had lost at least five hundred members last year to the New Communist Party, which broke from the main party in protest against the "reformist" nature of its programme, *The British Road to Socialism*. The debate in the Communist Party on the programme, which envisages a broad democratic alliance of the left and the election of a new kind of Labour government, forms the subject of a series of three programmes in Granada Television's *Decision* series. It will be broadcast at 10.30 tonight. The programmes represent the distillation of nearly two years' filming of meetings and discussions at every level of the party leading up to the congress last November at which the programme was adopted. They disclose disagreement in the party on how far it should depart from strict Marxist-Leninist principles of socialist revolution and the dictatorship of the proletariat and on relations with the Soviet Union. The debate on the new strategy of democratic progress towards socialism in alliance with other groups on the left has continued this year. In a recent issue of *Socialist Challenge*, the newspaper of the International Marxist Group, Mr Michael Prior, a member of the Communist Party since 1961, said that the party had collapsed as an "independent

campaigning force. He said "it has been outflanked and bypassed both to its left and right". Mr Matthews said: "I accept that there is a danger that when you cease to be sectarian, as we have, you may go to the other extreme and in the process of allying with other people lose your distinctive voice. But we put as much emphasis on building up a strong Communist Party as on the broad democratic alliance." He accepted that the Socialist Workers' Party had, probably gained, more publicity than the communists in recent campaigns against racism. He did not, however, feel that the only strategy to be pursued was that of the Anti-Nazi League (where the Socialist Workers' have predominated). "There are other sources of racism apart from the National Front," he added. After the adoption of its programme last year, the Communist Party invited Labour Party cooperation. Although the Labour Party nationally rejected the invitation, there have been several requests at local level for communist speakers and copies of *The British Road to Socialism*. In an article in last week's *Socialist Challenge*, Mr Eric Heffer, Labour MP for Liverpool, Walton, wrote that the growing Eurocommunist movement meant "that communist

Shepherd in Wales to get £9,000 back pay

From Our Correspondent Cardiff

A shepherd, aged 63, in west Wales was underpaid by £15,000 during the 26 years he worked at a farm in Dyfed. Judge Powell was told at Cardiff Crown Court yesterday. Mr Elystan Morgan told the judge that Mr David Jones, who lived in a tied cottage on the farm at Llaneddwyr, near Tregaron, with his wife, Elizabeth, and an invalid son, was unable, because of the Statute of Limitations, to claim the whole of his back pay. Nevertheless, he was still entitled to £10,300. Mr Morgan said. He appeared for Mr Jones in a civil action conducted in Welsh against Mr Jones's employer, Mr John David Davies, of Aberdeudwr Farm. The parties, however, had reached a settlement for £9,000 to be paid to Mr Jones within 28 days and judgment with costs was entered for that amount. Mr Davies was also to be responsible for Mr Jones's national insurance contributions. It was also agreed that Mr Jones must leave his house by January 1 next year, and might harvest his hay, but not increase his own livestock of four cows, one heifer, four calves, five sheep, four lambs, two horses, 20 geese and a few hens. After the hearing, Mr Jones said he went to work at Aberdeudwr Farm in 1952 at £3.50 a week. By 1975 his wages had been increased to £7 a week, less 88p national insurance. He should have been getting £28.50. Today's wages for a full-time farmworker are £53.94, but since June, 1975, when he started his civil action, Mr Jones said he had received nothing, although he continued to look after a flock of 1,000 ewes and 900 lambs, and hedging and ditching, working from dawn to dusk.

Line passengers in angry file at ticket desk

Passengers who could not get seats today. Otherwise there was no hassle as far as we are concerned. "There was no question of anyone being hurt. It was just a shouting match for a few moments." A request to airlines to sell stand-by tickets in London only had come from the British Airways Authority, which had said that airport sales would lead to unacceptable congestion. It was not apocryphal long queues of people sleeping in the terminal buildings. Congestion cleared: Holiday flights returned to normal yesterday after another weekend of disruption caused by the French air traffic controllers dispute. Officials at all British airports reported that airlines and operators had been better prepared, traffic controllers had allowed more aircraft through, and some alternative routes had been flown.

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Magazine trade calls for new obscenity laws

By a Staff Reporter

The British Adult Publications Association Ltd, a body formed last year to represent publishers, wholesalers, distributors and retailers of sex magazines, conceded yesterday that legislation to prevent obscene material from reaching children under 16 may be necessary. It also supports legislation aimed at preventing the use and abuse of children in the production of obscene material. In evidence to a Home Office committee on obscenity and violence, the association says it is uneasy about the production and distribution of obscene material which exploits sadism, brutality and torture, regardless of whether it is in a sexual context. The association, whose members handle 50 million copies of adult magazines a year, also calls in its evidence for widespread changes in the obscenity laws.

North Sea oil 'blunders' rouse SNP ire

From Ronald Faux Edinburgh

The Scottish National Party reappeared in fighting trim yesterday after its bruising in the Hamilton by-election. Launching what will be an important plank for the party should there be an October election, Mr Gordon Wilson, MP for Dundee, East, and spokesman on energy, accused the Government of "bumbling incompetence" in exploiting North Sea oil. His disastrous attitude, he said, was threatening Scotland's future.

Mr Wilson said the object of oil depletion policy must be to optimize the value of resources in the present while husbanding them for the future. The Government had failed on both counts. It believed in developing the North Sea as fast as possible. New exploration was being rushed into agreement and having given the oil companies unlimited freedom of production

until 1982, the Government was now allowing the same companies a tax loophole through which they could elect to use untaxed profits for further development. As a result of government blunders, oil revenues were reduced and production was rising as prices remained slack, he said. Orders for platforms and related equipment were likely to be lost to foreign competition because of pressure on yards.

Customer foils bank raiders

Mr Charles McLean, aged 24, a customer, foiled three armed men at his local branch of the National Westminster Bank in West Ealing, London, yesterday when he tackled a man brandishing a machete. Mr McLean, a former policeman, went to the aid of a Securicor guard who was attacked while delivering shop takings. He had two stitches in a head wound. The raiders escaped empty handed.

Move to stop 'blacking' by two unions fails

A High Court move to stop a "blacking" campaign which is said to have cost the Huthwaite Printing Company, of Nottingham, at least £900,000 in lost turnover has failed. Mr Justice Slade refused yesterday to order two printing unions leaders to stop causing customers of Huthwaite to break their contracts. He ruled that Mr Joe Wade, general secretary of the

National Graphical Association, and Mr E. J. Martin, national organizer of the Society of Lithographic Artists, Designers, Engravers and Process Workers (Slade), were within their rights in furthering a trade dispute. The dispute is linked to one between the unions and the T. Bailey Forman group of companies over recognition of the NGA and Slade.

Hold-up in 'Ryder letter' trial

The "Ryder letter" trial at the Central Criminal Court was adjourned yesterday until today to allow the prosecution to decide the proper course to take after defence insistence that witnesses should be recalled and certain documents produced in court. Despite 30 minutes of argument before the jury, Mr William Howard, QC, for the defence, persisted in his demand that Lord Ryder, of Eaton Hastings, former chairman of the National Enterprise Board,

and Mr Alex Park, former chief executive of British Leyland, should be recalled to give further evidence. He also held to his request for the production of documents said to be in the possession of British Leyland. Mr Howard has told the court he wants to try to prove that reports compiled by his client, Graham Barton, aged 34, a former British Leyland financial executive, which alleged that the car company operated a "slush fund" for bribes, were true.

Lord Ryder has already denied in court that corruption existed at the company. Mr Barton and his wife, Farma, aged 32, both of Lincroft Gardens, Hounslow, London, deny between them five charges relating to the alleged forging of copies of two letters to British Leyland, one purporting to be from Lord Ryder, the other from the Bank of England, and dishonestly obtaining £15,000 from the *Daily Mail* with them.

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Like presenting the character of Yorkshire to a national audience (*Too Long a Winter*).

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Yorkshire Television keeps its promises

WEST EUROPE

Union of Left proves itself alive and kicking by winning back Paris seat for Communist

From Charles Hargrove
Paris, July 24

Contrary to the experts' forecasts, Mme Marie Thérèse Goutmann, the communist candidate supported by all the left wing parties, won back the seat in the communist stronghold of the Seine-St Ois, north of Paris, yesterday against her Gaullist challenger, M Raymond Valenier, by a comfortable margin of more than 1,000 votes.

This by-election was made necessary by the decision of the Constitutional Council last June to invalidate the results of the parliamentary elections of March 18, on the ground of various irregularities, such as the massive distribution of tracts on the very morning of the second ballot, coupled with Mme Goutmann's narrow lead of 116 votes over M Valenier in the second ballot.

All nine seats in the Seine-St Denis are now held by the Communist Party. The eighth district was wrested from it by M Valenier, with a lead of 10,000 votes, in the Gaullist landslide which followed the May-June upheavals of 1968. In the 1973 elections, however, after the creation of the Union of the Left, this had shrunk to 134 votes.

The rather special conditions under which this by-election was held make it difficult to draw from it any general conclusions on the standing of the respective political forces in the country. On the one hand,

Mme Goutmann's victory proves once again that the voters traditionally tend to confirm their electoral choice when this is challenged. Ms. Monda notes that since the beginning of the Fifth Republic 20 years ago, 24 election results have been invalidated because of irregularities: and in the 15 cases where a new vote has taken place, the outgoing deputy has been returned.

On the other hand, Mme Goutmann had to overcome two liabilities. The first was the setting by the Constitutional Council of a date for the poll, at the very height of the holiday season after the great annual exodus of July 14 (a by-election has by law to be held within three months of the invalidation). This provoked from the Communist central committee charges against the Government of a real violation of democracy. It was certainly responsible for the unusually low poll in the first ballot on July 16, when abstentions totalled 54.57 per cent, several thousand voters, including Communists, having taken off for the long Bastille Day weekend, if they had not actually gone on longer holidays. The other liability was the collapse of the Union of the Left, and the unrelenting campaign of abuse and outpouring conducted by the Communist Party against its erstwhile Socialist allies.

Between the first and second ballots, however, voting participation increased by 7 per cent.

Contrary to forecasts, Mme Goutmann obtained in the second the support of as many of the abstentionists in the first ballot as M Valenier thus consolidating her lead of more than 1,000 votes from one Sunday to the next.

This was due to the very active campaign of mobilization of left-wing voters by Communist militants during the past week. Mme Goutmann was, it is true, backed by all three left-wing parties without reservation, and left-wing voting discipline worked this time without a hitch.

If there is any lesson to be drawn from this by-election, it is that the Union of the Left, which is dead for the party leadership, is still alive and kicking for the militants and the rank-and-file voters.

But one swallow does not make a summer, and it would be risky indeed to draw conclusions from the Seine-St Denis test for the future relations between the Communist and Socialist parties. While noting the success of voting discipline on the left, M Pierre Bery, secretary of the Socialist secretariat, emphasized that the by-election confirmed the political choices of the socialist party. He added: "In coming months it means to the driving spirit of the popular forces without concern for the sectarian attitude of the Communist leaders, who are conducting a rear-guard battle in the face of history."

Paris Gestapo chief faces trial in Cologne

Cologne, July 24.—The

Charged Kurt Lischka, Gestapo chief in Paris during the German occupation in the Second World War, with complicity in murdering at least 33,000 Jews who were deported to death camps.

A spokesman for the prosecutor's office said today that Herr Lischka, aged 68, would go on trial with two other former Gestapo members, Herbert Hagen and Ernst Heinrichsohn.

No date for the trial has been set, and the accused will remain at liberty until proceedings start: the spokesman said.

Herr Lischka, who lives in Cologne as a retired clerk, was sentenced in absentia to life imprisonment by a French court in 1950 but he remained free because of a loophole in the law.

The West German constitution prevented extradition of German subjects and West German courts were not allowed to retry war criminals convicted by Allied courts. In 1975 the West German parliament ratified a treaty with France permitting such retrials.—Reuter.

Students scale Berlin Wall in false uniforms

From Our Correspondent
Berlin, July 24

Three East Berlin medical students, one a woman, bluffed their way across the Berlin Wall to West Berlin wearing homemade uniforms that resembled those of border guards.

According to details reported today by a West Berlin human rights group, the three students, known only to insiders on the border to assure guards of a watchtower that everything was to order.

One of the three cut the chain on a door opening on to the so-called death zone at the wall. The other two passed through and he then blocked the door with a new chain and lock. They drove up to the 14ft wall and climbed it.

When the alarm was given, the arriving East German border unit were delayed from entering the death zone because the door with its new lock would not open.

RAF Phantom crashes

Mösching, July 24.—

The pilot and navigator of a Royal Air Force Phantom were killed and eight civilians were slightly injured on the ground when the aircraft crashed on the outskirts of Biberach, a small town south of Hock.

The Phantom was on a training mission when it crashed into a residential area. The pilot and navigator were killed, and eight civilians were injured. The aircraft was destroyed.

In an opening statement on behalf of the EEC, Herr Hans Dietrich Genscher, the West German Foreign Minister, emphasized that the aim of the negotiations should not be sweeping change or renovation but rather "adjustments and improvements" to the existing convention.

In a spirited reply, Mr P. J. Patterson, the Foreign Minister of Jamaica and ACP secretary of the "regrettable reluctance" of the EEC to take the steps necessary "to provide an effective basis for our continued cooperation in the 1980s".

The EEC, he said, appeared to regard the present convention as "an exemplary instrument". In our view, these negotiations cannot be regarded as a holding operation, limited to the mere rearrangement, adaptation or adjustment of the Lomé Convention, Mr Patterson declared. "There would be grave danger and little real benefit for anyone in such an approach."

Communists will test government alliance

From Peter Nichols
Rome, July 24

The Italian Communist Party's central committee had tonight its first full meeting for a year. It heard Signor Enrico Berlinguer, the party leader, call for greater efforts at stimulating the Government into activity and justifying the broad parliamentary alliance which for the first time includes the Communists.

He spoke at a difficult moment. The Communists, who since March fully support the Christian Democratic administration, would like it to show more vigour. But they are also aware that the present Christian Democratic leadership is being challenged from within its own ranks, particularly from the right. At the same time the Socialists are restive and in no mood to follow a Communist lead.

This necessity of both criticism and care in not exposing the parliamentary alliance to new strains was clear to Signor Berlinguer's opening speech. The alliance had reached the point at which its validity was being questioned, he said. As for the Communists, a confirmation of the alliance demanded the full and speedy application of the Government's programme. The Communists would press for this.

This would involve the party, within the alliance, in a clear and active role. The Communists could not be expected on all questions, even if it was always necessary to strive for the broadest possible agreement. The reserves and dissent of some, however, could not be allowed to paralyse the majority and force the Government to give up the agreed aims of its programme.

In particular, he saw the principal test of both the Government and the majority in the handling of the problems of the underdeveloped South. Steps had to be taken without delay to handle the situation where it was most critical and where tension was becoming explosive, beginning with Naples.

'Dany the Red' returns to political arena

From Our Own Correspondent
Paris, July 24

M Daniel Cohn-Bendit, known as "Dany the Red" who he led the 1968 French student revolt, will contest the Hesse Land elections in October as a candidate for the ecological "green list".

The fiery, red-haired left winger was chosen as a candidate by the ecologists after a stormy debate at their election campaign meeting at Aisfeld, Hesse last night. Many ecologists are unhappy about collaborating with extreme leftists who sympathize with their cause.

His name was put up after "pure" ecologists and more left-leaning groups agreed with some difficulty to fight the elections together.

Britain ratifies terrorism pact

Strasbourg, July 24.—Britain today ratified a Council of Europe convention aimed at suppressing terrorism. It pledges signatory states to extradite people who have engaged in kidnapping, hijacking or the taking of hostages.

The convention comes into force for Austria, Sweden and West Germany on August 4, for Denmark on September 28, and for Britain on October 25.—Reuter.

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In his statement, Herr Genscher emphasised the importance attached to human rights by the EEC, saying that the Community wanted the new convention "to make it even more clear that the ultimate purpose of aid was to serve people and help safeguard their dignity and rights as human beings, and to free them from hunger and hardship."

Mr Patterson made clear that the ACP could not tolerate the inclusion in the new convention of provisions of this kind that might be used "to compromise the right of a sovereign state in conduct its own affairs in the way it judges appropriate."

Plea to admit political motive of Bretons' acts

From Our Own Correspondent
Paris, July 24

Three sentences demanded on Friday by Jacques Colette, the chief prosecutor on the Breton autonomists on trial before the Court for State Security, provoked the surprise and indignation of counsel for the defence, who were to plead all day today.

"A summing up of great inhumanity," exclaimed Maître Léo Matrasso, a veteran of political trials. The 14 defendants were charged with 13 bomb attacks in two years, the last of which claimed no victims, he added.

Maître Yves Lechaud, from Limoges, said: "One does not demand 20 years against defendants one treats with contempt as irresponsible youngsters. Those are people normally condemned as common criminals. But if one does, it is because they are purveyors of dangerous ideas. If that is so, it is not 10 or 20 years in jail that will stop them."

Three foreign counsel, Mr Yves Bernard, of the Lausanne Bar, Señor Juan-Maria Bandres, of San Sebastian, and Mr Georges Henri Beaudrier, of the Brussels Bar, urged the court to view the case in the context of autonomist and regional movements throughout Western Europe.

Mr Baudrier said: "Does one put a safety valve on a boiler which is about to explode? Their bombs were necessary for you to turn Bretons into demons. The cause is just. They are terribly alone. That is not a reason why they are wrong. One must not respond to their outcry by the crack of a whip."

Bomb damages Chamoni cable-car station

Chamoni, July 24.—A bomb exploded in a mountain cable-car station here early today and a previously unknown Savoy separatist organization claimed responsibility, police said.

The attack seriously damaged property at the Alguille du Midi station, the highest in Europe. Responsibility was claimed by a group calling itself the Savoy National Front in a telephone call to journalists in Geneva.

Leaders of Savoy political groups reported they had never heard of the organization but police said they were taking the claim seriously.

The cable car, used by thousands of skiers and sightseers every year, will be out of action for at least a week.—Reuter.

Smoke shuts runways

Rome, July 24.—Two of the three runways of Rome's Leonardo da Vinci Airport were closed for one hour today after smoke from a nearby forest fire limited visibility.

Silkin anger shows over Irish fishing aid deal

From Our Own Correspondent
Brussels, July 24

Mr John Silkin, the Minister of Agriculture, dashed today with Herr Josef Erd, his West German counterpart, over the issue of Britain accepting a majority verdict of member states on new EEC fisheries measures.

At issue was an apparently innocuous proposal for the grant to Ireland over the next five years of some £30m for the purchase of boats and aircraft to patrol Irish fishing grounds. A smaller sum of about £5.5m has been earmarked for Greenland.

Although Mr Silkin had no objection in principle to this aid, he was alone in insisting that it formed part of a package of proposals for the joint exploitation of the EEC's fish resources, and this could not be approved in isolation.

Herr Erd, the present chairman of the farm council, repeatedly announced a majority in favour of the Irish aid and tried to pass on to other business. But each time he was stopped by Mr Silkin, who refused to accept that any agreement had been reached.

British officials, who admitted that the atmosphere had become heated, said they saw the German move as an attempt to set a precedent for taking decisions by majority vote in the main areas of EEC fisheries policy, where Britain has long been out of step with the rest of the Community.

The Irish made the point, however, that Britain had accepted majority verdicts on fisheries questions in the past, and that the EEC was an EEC. They pointed out that a British-imposed embargo on the North Sea, for example, was taken by majority vote last year.

For their part, the Irish made clear that they would block the extension of reciprocal fishing arrangements with Norway, Sweden and the Faroes which run out at the end of this month. This would lead to loss of EEC access to valuable cod grounds in the Norwegian waters, though this would be a distant water fleet.

In the meantime, Mr Silkin has countered charges by the European Commission that he is demanding an excessive share of the Community's fish catch, with a table of figures showing that under present proposals British fishermen would get only 42 per cent of what Britain contributes to the total EEC fish stock.

This compares, he claims, with percentages ranging from 35 per cent for Holland, up to 170 per cent for West Germany, 200 per cent for France, 267 per cent for Belgium, and 280 per cent for Denmark.

The Commission, while not disputing these figures, said that demands would raise the British percentage to 100 per cent for the main species over five years.

The incident which received headline treatment in newspapers and on radio and television throughout the country for a couple of days, however, has not yet ended. The question of the White House is filled with inexperienced and inept amateurs.

Like the questionable banking career of Mr Bert Lance, another close friend of the President, who resigned from the Office of Management and Budget last year, the question that has been asked most around Washington since Dr Bourne's departure last Thursday is how Mr Carter can have chosen someone so naive for such a key post.

Washington Post said in a leading article: "What Dr Bourne did represents a serious and unaccountable lapse of judgment—at best. And there are enough questions raised and oddsities unexplained in the case to suggest that there is something other than the best case version in store."

As is the custom in such cases, White House aides have gone to some lengths to explain that there was no pressure on Dr Bourne to resign and that the decision was entirely his.

Few people here believe that this was the case, however. Once The Washington Post had produced its latest scoop, few of the President's advisers can have recommended that Dr Bourne should remain in his post with the rest of the American media joining the fray.

The speed with which Dr Bourne disappeared from the White House has been welcomed generally. The White House and Dr Bourne have done the right thing in arranging his departure and they have done so with appropriate dispatch. The Washington Post noted with some satisfaction.

This was in sharp contrast to the long, drawn-out "Lance affair", still remembered in Washington for the President's catchy phrase "I am proud of you, Bert", when he was still trying to salvage the already tarnished reputation of his friend and close adviser.

Mr Jody Powell, the President's spokesman and adviser, also appears to have learned from the mistakes of the Lance affair. Rather than reacting with sarcasm and belittlement to questions about the Bourne controversy, he has kept his patience and adopted what amounts to a "no comment" policy, interspersed with friendly asides.

This may be one reason why the controversy has proved so far to be a five-minute wonder. Even aggressive White House reporters became bored when confronted with stonewalling tactics from one of their main sources of information.

Chilean junta dismisses Pinochet opponent

From Our Correspondent
Santiago, July 24

General Gustavo Leigh, the Chilean Air Force commander, dismissed today from the military junta which overthrew President Allende in 1973. He was also compulsorily retired from the Air Force, as were the next seven most senior generals in the service.

President Pinochet, the Army chief, has thus removed his main critical opponent within the Government, replacing him in both posts by General Fernando Matthei, the Health Minister and ninth ranking Air Force officer.

A communiqué this morning, signed by General Pinochet, Admiral José Toribio Merino, Navy commander, and General César Mendoza, the police chief, declared it was "absolutely impossible" for General Leigh to remain Air Force officer.

The communiqué said: "The Chilean Air Force commander, General Leigh, has been dismissed from the military junta which overthrew President Allende in 1973. He was also compulsorily retired from the Air Force, as were the next seven most senior generals in the service."

The differences between General Leigh and President Pinochet in fact date from the overthrow and death of Allende. The Air Force chief had consistently opposed the President's gradual concentration of all power in his hands and refused to allow criticism.

OVERSEAS

Self-help warning to Muslims

By Edward Morcimer

Muslim minorities in non-Muslim countries were warned yesterday by Mr Salem Azam, the secretary-general of the Islamic Council of Europe, to "organise themselves" on their own.

Mr Azam was welcoming the participants in a week-long international seminar on Muslim communities in non-Muslim states, sponsored by the Islamic Conference and held at the Heathrow Hotel, London.

Muslim countries, he said, were "duty bound to come to the rescue of their brethren" but the brethren must "ultimately save themselves by their adherence to the principles of Islam and self-help. They should strive to take a positive role in the political, social and economic life of their countries."

Mr Azam mentioned Burma, the Philippines, Thailand, Cambodia, India and Ethiopia as countries where particularly shocking violations of the human rights of Muslims had recently occurred. He added: "The situation in most of these countries is also far from encouraging."

Mr Amadou Karim Gaye, the secretary-general of the Organisation of the Islamic Conference, said it was also important to study the guarantees offered by the Islamic system to non-Muslim minorities subject to Muslim authority.

Actions aimed at "safeguarding the Islamic personality and strengthening the cultural identity of Muslim minorities must be undertaken within the framework of their national societies, without prejudice to the fact that each one of them belongs to its own country."

His organisation had always respected this principle. He quoted as an instance its handling of the problem of the Muslims in the southern Philippines.

Mr Issoufou Seydou Djermakoye, Under-Secretary-General of the United Nations, said that the concept of human rights had its roots in Islam, Islamic teachings occurred on this point with the precepts of the United Nations, as embodied in the Universal Declaration of Human Rights.

Dr Bourne's swift exit earns press plaudits

From David Cross
Washington, July 24

The swift departure from the White House of Dr Peter Bourne, Mr Carter's health and budget adviser, has earned the President further immediate endorsement. Indeed, a close scrutiny of today's leading American newspapers reveals only the occasional passing reference to last week's damaging controversy over the issuing of a prescription for a potent drug to a White House colleague.

The incident which received headline treatment in newspapers and on radio and television throughout the country for a couple of days, however, has not yet ended. The question of the White House is filled with inexperienced and inept amateurs.

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The differences between General Leigh and President Pinochet in fact date from the overthrow and death of Allende. The Air Force chief had consistently opposed the President's gradual concentration of all power in his hands and refused to allow criticism.

General Leigh later announced that he would appeal in the Courts of Justice against his dismissal but would not take any action of a military nature.

Big major for Begin policy in Knesset

From Michael Kappas
Jerusalem, July 24

The Israeli Knesset endorsed the Government's policy of negotiations by a majority. An Opponent accusing the Government of creating the prospect of a deterioration in the peace process was defeated by 68 to 37.

During the debate, known as Mr Yigal Allon's Minister of Industry and Tourism, dined his resignation of what he considers any "hunger" for peace.

Opening the Knesset, Mr Moshe Dayan, Minister of Defence, said the Government would discuss the question of the peace process to discuss the question of the peace process.

Speaking for the Labour Party, Mr Yigal Allon, Minister of Industry and Tourism, said the Government was driving the United Nations to the edge of resignation.

Today, however, said clearly that the peace plan, which was the basis of the Government's policy, was not to be abandoned.

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Block of flats in Cairo, kills

Cairo, July 24.—A

block of flats in a slum collapsed today, killing more than 100 people, including children, and injuring 14.

Mr Abdullah Al-Basri, a rescue worker, said he was being made to go to the building, which is estimated to have more than 100 witnesses, the bodies of most of whom were still in place.

Police said 50 people were still in the building, which is estimated to have more than 100 witnesses, the bodies of most of whom were still in place.

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Big for eastern settlement plan for Namibia in danger of collapsing

Norfolk Ashford
July 24
A settlement plan
for Namibia, which has been put
together during the past
month, is now in danger of
collapsing after the South
African Government has
announced that it will not
accept the plan. The plan
was based on the assumption
that the South Africans would
accept the plan, but they have
now decided to reject it.
The plan was a result of
negotiations between the
United Nations, the South
African Government, and the
South West African People's
Organisation (SWAPO). The
plan was to divide Namibia
into three parts: a northern
part to be ruled by the
South Africans, a central
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Men and women register as voters in a farm building near Windhoek, the Namibia capital.

Some felt Mr. Botha, who has
cancelled plans to attend the
United Nations this week, was
indulging in brinkmanship in
an attempt to persuade the
West to abstain from voting on
the Walvis Bay resolution.
Others felt South Africa was
using Walvis Bay as a way out
of a scheme that could well
lead to the establishment of a
Swapo government in Windhoek
next year.
The South African position
must be viewed in the context
of the hostility with which the
Western plan has been regarded
by an influential section of the
South African Cabinet. Mr.
Botha managed to get Cabinet
approval for the plan only on
the specific understanding that

it did not involve Walvis Bay.
He now feels he has been let
down by the West.
If there is a breakdown over
Walvis Bay, it would mean
South Africa would have to go
ahead with its own plan to
grant Namibia independence by
the end of this year without
international support and in the
teeth of sanctions.

Even if the Western plan sur-
vives the latest crisis it is most
unlikely that the December 31
target date for independence
will be met. Western diplomats
are now saying that it is no
longer realistic to think the
various stages of the Western
plan can be completed by the
end of the year.
Walvis Bay issue, page 14

Carter policy at stake in two Senate votes

From Our Own Correspondent
Washington, July 24

Two crucial votes in the
Senate this week are likely to
determine the future policy of
President Carter's Administration
towards Rhodesia and
black Africa, as well as Greece,
Turkey and Cyprus.

The two decisions, which are
expected to be closely con-
sidered, will be taken as part of
a \$2,900m (£1,520m) Inter-
national Security Assistance
Bill, which is now going
through Congress. Amend-
ments attached to this legisla-
tion will seek to lift the
present embargo on arms sales
to Turkey and economic sanc-
tions against Rhodesia. Final
votes on both measures are
likely as early as tomorrow.

The most controversial, as
far as Congress is concerned,
is the President's suggestion
that the three-year ban on deliv-
eries of weapons to Ankara
should be lifted. Mr. Cyrus
Vance, the Secretary of State,
told television interviewers
yesterday that the time had
come "to turn a new page" in
relations with Turkey.

Expressing cautious opti-
mism that the Senate vote
would go the Administration's
way, he said that if the
embargo were lifted he was
sure this would lead to
progress towards resolving the
Cyprus dispute. "Relations be-
tween Turkey and ourselves
have deteriorated, relations be-
tween Turkey and Greece have
deteriorated and the situation
in the southern flank of Nato
has deteriorated, as well
because of the embargo," he
added.

This issue has always been
difficult for successive Ameri-
can administrations to resolve,
but President Carter's task has
been complicated by sugges-
tions from Capitol Hill that the
Turkish vote should be linked
to other recent moves to have
economic sanctions against
Rhodesia lifted. Some senators
have made it clear that they
will vote for the lifting of the
Turkish arms embargo only if
their colleagues agree to end
Rhodesian sanctions.

The Administration, belat-
edly aware of this new de-
velopment, has mounted a last
minute campaign to persuade
influential senators to vote
against any such move. During
his television interview yester-
day, Mr. Vance said that any
linking of the two issues would
have "a very damaging effect"
on America's African
policy.

The Administration believes
that any move in Washington
which might help Mr. Ian
Smith, the Rhodesian Prime
Minister, and moderate black
leaders will inevitably jeopar-
dize Anglo-American efforts to
arrange an all-party coor-
dinated conference, including exiled guer-
rilla leaders. Mr. Vance said
yesterday it might also under-
mine recent progress towards
the independence of Namibia.

Senator Jesse Helms, a
Republican from North Caro-
lina, leading the campaign to
lift sanctions, believes he now
has sufficient supporters to
win the vote. Under his propo-
sal sanctions would be lifted
initially until the end of the
year when the present interim
political arrangements in Salis-
bury are due to expire.

terrorists in Salisbury tattle with police

July 24—Black
Rhodesian
forces have fought gun
Salisbury for the first
years of guerrilla
force said today after
of military censor-
statement said the
place on Friday
ay in the black town
Mufakose and High-
ee guerrillas were
two wounded and
police said.
has followed reports
up of guerrillas had
Salisbury on a mis-
sion to lead black
of Rhodesia's
Government.
of the township is
cut from news
Saturday by military
Rhodesian
struck the cen-
and demanded to
whites had not been
the presence in the
of "Mafia-type" hit
party spokesman said.
the deliberate
to kill them (the
to a sense of false

ominous indictment of to use of funds

July 24—
Government
leased a 405-page
er, along with 1,044
supporting appendices
a whole range of
information by Mr.
Mr. Bhutto's Prime
in securing his land-
in the general
March last year.
Mr. Bhutto's Peo-
won all but 37 of
National Assembly
poll.
Paper claims that
before the National
polls a joint assess-
the Intelligence
nd the Inter-Services
Directorate gave
a Party a maximum of
some other
said. It has been
from the former
Minister's Secretariat
the erstwhile ruling
did not win more than
and thus be unable to
tain its majority in
hite Paper, which is
ve been prepared by
member committee
Brigadier Mir Ahdul
set up last November,
on evidence obtained
witnesses. It asserts
Prime Minister's
run by government
paid out of public
rully involved in
for perpetration of
o's rule through elec-
ement.
to prove that Mr.
government had
o keep the Election
in under check as
November, 1974, and
arvice funds of the
or were liberally
to election purposes
People's Party. The
lministrative machin-
utilized at all levels to
he success of the
White Paper claims.
bject of the White
clearly to expose Mr.
democratic preten-
sion, of course, him
an opportunity to
mself. He has been in
last September facing
execution on a charge
r. Recently, his Peo-
y had voiced its oppo-
publication of the
aper on the ground
unmounted to condem-
former Prime Minister
whies he was defend-
self against a death
in the Supreme Court
ing to the White
Mr Justice Sajjad
Jan, who was Chief
Commissioner in 1977,
ed by Mr Bhutto. But

It doesn't grow on trees, you know.

First the good news.
We in Britain are in the enviable
position of having coal deposits that will
run to three hundred years.
Now the serious news.
Coal will be our main fossil fuel of
the future, because gas and oil could well
be past their peak before, or near, the end
of this century.
So we mustn't squander our coal.
We must use it well, and use it wisely.
That means using it efficiently.
The trouble is that too many people
in industry and the home are using fuel
inefficiently. They are wasting their
money and not helping themselves or
the country one bit.

But the message is getting through.
Take the Waldorf Stationery and Greetings
Cards company, for example.
With the help
of NCB Technical
Service, they changed
their worn out coal-
fired heating system for a modern
one. Now they are paying less for
better heating.

The Northern Spinning Division
of Courtaulds did something similar,
also with NCB advice, and came up with
a new plant boasting 78% efficiency.

There's action too on the home front.
People like Mr and Mrs Hill of
Whittlebury, Northants. They now heat
their entire home from just one system—
coal-fired central heating.
This keeps the whole house warm
and gives them lashings of hot water.
So the Hill's are getting real value for
their money.

Of course, these are only a few
examples of the companies and people
who have seen the light.
But it's an example that we should all
try to follow.
And quickly.
Use coal wisely and you'll help
secure the future. If you don't do it for the
good of the country, do it for the money
you'll save yourself.

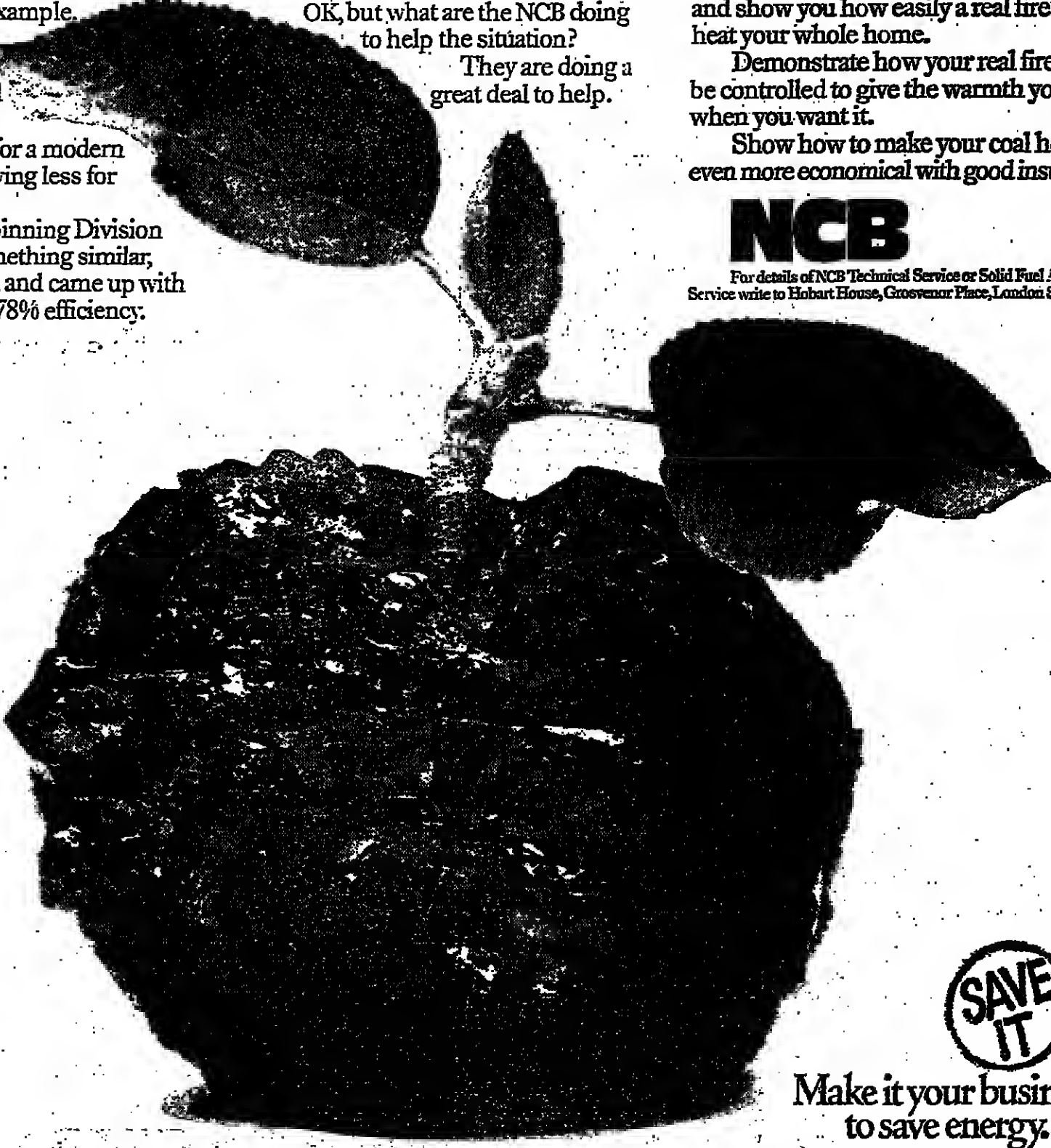
OK, but what are the NCB doing
to help the situation?
They are doing a
great deal to help.

For Industry.
The NCB Technical Service covers
all aspects of the efficient use of steam and
hot water heating. Expert advice is
available on making the best possible use
of existing systems, as well as the latest
information on new equipment and
techniques.

For Domestic Use.
The joint partnership of the Coal
Board, independent producers and coal
merchants form the SFAS—the Solid Fuel
Advisory Service. It will help you in
countless ways to make the most of your
solid fuel heating.
SFAS will: Advise you on choosing
your new real fire—and give you guidance
on installation.
Help you select the right fuel —
and show you how easily a real fire can
heat your whole home.
Demonstrate how your real fire can
be controlled to give the warmth you want
when you want it.
Show how to make your coal heating
even more economical with good insulation.

NCB

For details of NCB Technical Service or Solid Fuel Advisory
Service write to Hobart House, Grosvenor Place, London SW1X 7AE.



Make it your business
to save energy.

Issued by the National Coal Board in support of the Government's energy conservation campaign.

SPORT

Racing

Century of winners for Carson on Going For Gold

William Carson chalked up the fastest 100 winners since the halcyon days of Sir Gordon Richards when Going For Gold outstayed Patrick Eddery's mount, La Pampa, in Bath's Cornish Handicap Stakes yesterday. The pair came close together as Going For Gold was challenging two furlongs out, and the stewards quickly announced an inquiry into possible interference at that point. But, like the stall, the camera patrol was missing, and after a comparatively short deliberation, the placings remained unaltered.

Tanner made short work of the favourite, Spekes Valley, in the Dauntsey Selling Stakes. It was a "plating" three-fur, for young Charles Nelson from Lambourn whom won with Workshop at Hamilton Park 10 days ago, while Summer Snow scored at Folkestone last Monday.

Aldborough Festival defeated the odds-on favourite by a length in the Rising Sun Stakes. Backed from 10-1 to 7-1, Aldborough Festival caught the favourite before halfway.

Irish raiders here as rare as midsummer snow, and those who took the hint now also followed the betting, were on to a good thing in Soudou in the Oldfield Handicap. Appropriately, the winner was partnered with the same calm efficiency by the Irish born John Reid as characterized his greatest victory when partnering the de Bourbon in the

King George and Queen Elizabeth Diamond Stakes. And I booked John before the Ascot race," Michael Vance, said. Vance, trained the winner in County Kildare. Soudou, successful at Lanark two years ago, ran well against Kintore at York in May and was giving Vance his first success in England. "Soudou, the first company owned horse ever to score in Ireland, will now stay over here to be trained by Peter Arthur at Aston Tourlough. He is well entered up but there are no specific plans for him at the moment," Vance added.

The bookmakers, however, will not forget that Soudou is now a resident over here, for he was backed from 10-1 to 9-2 before his three length defeat of the favourite, Ravelston.

Charlie Williams, who took over the Crea Lodge Stables at Ayr this season, had his most important victory to date when the hitman, weight Doogal won the 17,500 Harry Peacock Challenge Cup Handicap at Newcastle.

The filly, who started favourite, was ridden by Michael Williams and she won in style. Putting in a great finish, she beat Abercrombie by three lengths, and set a track record of 2m 16.6sec for the one and a quarter mile course. Williams, the boy with the winning touch in his handicaps this season, has his greatest victory when partnering the de Bourbon in the



Carson: outwitted his main rival, Eddery.

Yesterday's results at Windsor

6.30 (10.51) ENGELFIELD STAKES
(2-y-o 2,000 st) 1m 10.51
Lambour, b, by Sweet Romance
Young Queen, b, by Sweet Romance
1st 10.51, 2nd 11.00, 3rd 11.10, 4th 11.20, 5th 11.30, 6th 11.40, 7th 11.50, 8th 12.00, 9th 12.10, 10th 12.20, 11th 12.30, 12th 12.40, 13th 12.50, 14th 13.00, 15th 13.10, 16th 13.20, 17th 13.30, 18th 13.40, 19th 13.50, 20th 14.00, 21st 14.10, 22nd 14.20, 23rd 14.30, 24th 14.40, 25th 14.50, 26th 15.00, 27th 15.10, 28th 15.20, 29th 15.30, 30th 15.40, 31st 15.50, 32nd 16.00, 33rd 16.10, 34th 16.20, 35th 16.30, 36th 16.40, 37th 16.50, 38th 17.00, 39th 17.10, 40th 17.20, 41st 17.30, 42nd 17.40, 43rd 17.50, 44th 18.00, 45th 18.10, 46th 18.20, 47th 18.30, 48th 18.40, 49th 18.50, 50th 19.00, 51st 19.10, 52nd 19.20, 53rd 19.30, 54th 19.40, 55th 19.50, 56th 20.00, 57th 20.10, 58th 20.20, 59th 20.30, 60th 20.40, 61st 20.50, 62nd 21.00, 63rd 21.10, 64th 21.20, 65th 21.30, 66th 21.40, 67th 21.50, 68th 22.00, 69th 22.10, 70th 22.20, 71st 22.30, 72nd 22.40, 73rd 22.50, 74th 23.00, 75th 23.10, 76th 23.20, 77th 23.30, 78th 23.40, 79th 23.50, 80th 24.00, 81st 24.10, 82nd 24.20, 83rd 24.30, 84th 24.40, 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Legal Appointments

Barrister or Solicitor for the Diplomatic Service

The work of an Assistant Legal Adviser is varied and highly responsible. It includes, for example, dealing with questions of international law, European Community law, drafting of agreements and legislation, conducting negotiations with other governments and, on the Commonwealth side, advising on constitutional law. Legal staff are based in London but have frequent opportunities to go abroad.

They may also serve a tour of duty in one of HM Missions overseas and advise delegations at international meetings and conferences.

Candidates, normally aged at least 22 and under 32, must be qualified (or expecting soon to qualify) as advocates, barristers or solicitors, preferably with experience of legal practice or legal research. A good degree would be an advantage and is essential for those not yet qualified.

Salary (qualified candidate) starting at £4,985 at age 22 to £8,540 at age 32 or over, and rising to £7,740. The range for an unqualified candidate is £3,575 to £4,325, but starting salary may be above the minimum. Non-contributory pension scheme, promotion (and salary range £7,740-£10,600) could come as early as age 27.

For further details and an application form (to be returned by 11 August, 1978) write to Civil Service Commission, Alconcroft Link, Basingstoke, Hants RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote ref. G/9870/1.

Commercial Lawyer

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Candidates should have a sound knowledge of Commercial Law and be prepared to work within the UK and abroad as required. The position advertised will be ideal for you intending to develop a commercial career and will expose the successful candidate to experience with ECGD, contract financing and insurance as he/she develops.

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(Ref: M9471/7)

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If work is demanding and involves a high degree of responsibility and a certain amount of foreign travel. Salary and prospects will be commensurate with the demands of the work.

Successful applicants will be graduates with above average academic records. Reference will be given to recently admitted solicitors but barristers seeking to qualify as solicitors and others requiring short articles will also be considered. Knowledge of high court litigation practice will be an advantage, but previous experience in shipping work is not essential. Please write with full curriculum vitae to:

R. E. Gaisford,
SINCLAIR, ROCHIE AND TEMPERLEY,
Stone House,
128/140 Bishopsgate, London EC2M 4JP.

GAL NOTICES

IN THE MATTER OF JOHN HAMMERTON (ROCKS) Limited and in the Matter of the Companies Act, 1948. Notice is hereby given that a First and Final Dividend of 100% of the net assets of the above-named Company, which is being voluntarily wound up, is payable to the creditors of the Company on the 25th day of August 1978. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company.

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EDUCATIONAL

IN THE MATTER OF JOHN HAMMERTON (ROCKS) Limited and in the Matter of the Companies Act, 1948. Notice is hereby given that a First and Final Dividend of 100% of the net assets of the above-named Company, which is being voluntarily wound up, is payable to the creditors of the Company on the 25th day of August 1978. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company. The dividend is payable to the creditors of the Company who have proved their claims in the liquidation of the Company.

Solicitors Not less than £6,000

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Applications are invited, not later than 31st August, 1978, to the PRINCIPAL ESTABLISHMENT OFFICER, LORD CHANCELLOR'S DEPARTMENT, ROMNEY HOUSE, MARSHAM STREET, LONDON SW1P 3DZ.

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Accommodation and car provided plus other benefits usually associated with this level of appointment. Interviews will be held in London between 23rd July and 5th August.

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AN ECONOMIC PRISON

Today's debate on the Government's pay policy will divide both the Labour and Conservative parties, though no doubt the Labour Government will be found to have been more successful in reducing the apparent discrepancies. The Labour left are opposed to incomes policies because they believe that they tend to operate against the interest of trade unionists, or because they regard them as a prop for a social order they want to pull down and rebuild. The Conservatives are divided between those who accept incomes policies as necessary to avoid rapid wage inflation and those who oppose incomes policies on monetarist and liberal grounds. The opponents of incomes policies regard control of the money supply as the only effective way to control inflation, and the free market as the only liberal way to determine incomes, so that each man is free to test his own value in the market and to try to raise it. The division in the Conservative Party is the more interesting. It cannot usefully be described as one between right and left; it is between those Conservatives who trace their intellectual history back to English liberalism and those who trace theirs back to Burkean ideas of the community. It is a division between liberal Conservatives and Tory Conservatives, and there is nothing but confusion to be gained by classifying either as to the left or right of the other.

Historic roots

Both traditions have their roots in the seventeenth century. The Tories are the descendants of the royalists who fought King Charles I. Their ideas are paternalist and interventionist; they support the authority of the state and support also what they regard as the sacred values of the community. Pure Tories are hard to find, but it is clear that the "moderates" are Disraelian Tories at heart. Sir Ian Gilmour, their intellectual leader, has a very gentle view of the state's responsibility, but it is essentially a Tory one. The liberal ideology descends from the parliamentary side in the civil war. It is based on Gladstone rather than Disraeli, on the English school of political and economic liberalism. It owes its basic ideology to Locke, reinforced by the doctrines of the American Declaration of Independence, and by the classical British school of economists, Locke, Adam Smith, Ricardo, Mill, Marshall and certainly the young Keynes. It has been reinforced by von Hayek and the Viennese school. Whereas Tory-

ism looks at the individual from the point of view of his obligations to society, liberalism looks at society from the point of view of the individual. As John Stuart Mill wrote, "a State which dwells in its hands over the individual, is in order that they may be made docile instruments in its hands for the benefit of purposes which will find that with small men no great thing can really be accomplished." In the nineteenth century this division was the great issue of British politics. Conservatives, like Peel and Gladstone, who became converted to liberal economic ideas, found themselves repudiated, or forced into the Liberal Party. Liberals, like Joseph Chamberlain, who believed that empire was more important than personal liberty, found themselves forced into the arms of the Conservatives. The twentieth century, the position has changed. The issue is one of socialism, which both ideological Tories and ideological Liberals agree to reject. Nevertheless, Tories are nearer to socialism, since they share a relatively high view of the proper role of the state. It is the pure Liberal whose opposition to socialism is total and unqualified.

Liberal stand

The situation is further complicated by the survival of a Liberal Party, which is no longer liberal in ideology. Under Mr. Steel's leadership, and given Mr. Padoa-Schioppa's views on economic policy, the Liberals have become an interventionist party. Their intellectual position is broadly that of the social democrats in the rest of Europe; it is a perfectly respectable position, but it is nowhere near classical liberalism, with which modern Liberals have little connexion but their name. There are, therefore, five factions to be considered in English politics. There are the true socialists who want to take still further the advancement of working-class power, the development of state intervention and forced egalitarianism. Joined with them is the Labour Party, the social democrats like Mr. Callaghan, who want to run as well as possible the socialist state that has already been created but do not want to change it very much. Then there are the Liberals who, whatever they say, share the basic attitudes of the Prime Minister, though they differ from him on some quite significant secondary points. Then in the Conservative Party there are the Tories, who accept the basic structure of the state, but certainly wish to reform it in a more open direction. Joined to

WHY THE DOLLAR PROBLEM MUST BE SOLVED

When the leaders of the western industrial world held their summit meeting earlier this month at Bonn, the largely unspoken background to their discussion was the continuing weakness of the dollar. Chancellor Schmidt and President Giscard have almost admitted that the impetus for their initiative towards a European monetary union is fundamentally a reaction to the continuous fall in the value of the dollar and the instability in international exchange markets that this has produced. The period since the Bonn summit has seen the dollar under renewed pressure, with the price of gold rising equally sharply to the usual reaction to uncertainty in currency markets. The markets have shown understandable scepticism about official American statements of concern for the currency; about the likely impact of central bank interventions to support the dollar; and about the likely scope and timing of President Carter's energy programme. The continued slide of the dollar is without question placing an increasingly serious strain on the international economic system. It is augmenting the current account surpluses of countries like Japan and West Germany, as their currencies correspondingly revalue. At the same time it is making it more difficult for them to produce the growth in real terms required to bring the industrial world as a whole out of its recession. It is increasing protectionist pressures in countries which are unable to compete with the devalued

dollar. It is undermining the moderates within the oil producing countries, who have been fighting against another substantial increase in the dollar price of oil. While a growing number of influential Americans accept that the effects of this trend are destabilizing and undermining American authority as the natural leader of the western alliance, the situation has not yet deteriorated to the point where it has produced domestic political pressures on the President to take the necessary action to stop it. On the contrary, most of the political pressures are still working in the opposite direction. The great bulk of American public opinion still is more frightened of economic policies that might stop growth than of the fall in the national currency. Equally, there is no public and Congressional support for the measures necessary to end the disastrous American dependence on imported Middle East oil. In the short term, this policy of "benign neglect" will probably be followed by a strengthening of the dollar. Within the next six to eight months, as credit is made tighter, the United States is likely to slip itself into recession. The effect of such a development on the rest of the industrial world in real terms will be serious. On the narrow currency front, however, the dollar is bound to strengthen as a result. In anything but the shortest term, however, such an improvement in the position of the dollar is not really significant. For the

the Tories, there are the liberal Conservatives, who believe that liberty has been greatly reduced and should be restored. They alone question the basic character of the socialist state in which we live. They regard it as inefficient because it violates economic principles, and immoral because it violates liberty. Whereas moderate Conservatives dislike socialism and wish to adapt it, liberal Conservatives detest socialism and wish to replace it with freedom. This liberal movement, or libertarian movement as it is called in the United States, is not confined to Britain. It put the present Government of Australia in power. Proposition thirteen in California was a victory for the libertarian idea of the American South and West, where it is already the most interesting intellectual development and is a powerful new political force as well. In the British Conservative Party Mrs Thatcher and Sir Keith Joseph both belong to this liberal wing. What is more important, Mrs Thatcher became leader of the Conservative Party because she believed in it. It is true that this political and economic liberalism is matched in many Conservatives by a sympathy for popular attitudes to subjects such as immigration, crime and punishment, a combination which probably adds to its political strength but sometimes detracts from its logical consistency.

Election issue

This concept of liberty can scarcely fail to become a central issue of the General Election. The present Government claim the right to determine the whole economic condition of every family. They claim to determine through incomes policy what income each man and woman can earn. They claim to determine through extremely severe income taxes what fraction of that state controlled income the man who earned it can keep. They claim to determine through capital transfer, tax what capital can be passed to the family. Taken together, these claims are destructive not only of efficiency, because they destroy incentive, but put each citizen in an economic prison, of which the Government holds the key; he ceases to be a free man and in too many cases ceases to think like a free man. Those who reject the claims of democratic socialism can best do so from the viewpoint of a liberal criticism of such a society. It is only in the liberal section of the Conservative Party that such a liberal criticism is now to be found.

Carter administration, like its predecessors, declines to face the real dollar problem. This centres on the fact that the dollar is carrying an international reserve role out of proportion to the relative size of the American economy in the industrial world as a whole. In other words, there are simply more dollars around in the world than people want to hold in their portfolios. Until something is done to change this underlying imbalance, the dollar will be under continual long-term pressure. Change in international monetary affairs only comes in response to crisis. Clearly, President Carter does not consider that the crisis has yet reached the proportions necessary for him to grasp this particular financial and political nettle. If the dollar strengthens temporarily in the first half of next year, there will be no increased pressure on him to do so. At some time in the next five years, however, the crisis will return in an intensified form and the problem will have to be faced directly. There are any number of technical ways in which this could be done, many of which have been examined in the context of the International Monetary Fund. In one form or another, however, they all come down to some kind of funding for the unwanted dollar balances. Holders of unwanted dollars will have to be offered some other, non-depreciating financial asset (or equivalent guarantee for continuing to hold dollars), which the United States will have to fund over a period of, say, half a century. Without some such move, exchange rate stability is a chimera.

Irrevocable vows

From Canon Peter Bostock
Sir, It has always surprised me that the Church of England recognises the possibility in certain circumstances of release from the vows of a monastic order, or of ordination, when in both cases there has been prolonged spiritual preparation before the vows were taken, yet in the case of marriage a much harder line is taken even though the spiritual preparation of the couple concerned may have been minimal. What makes the one vow so much more binding than the others?

Yours faithfully,
PETER BOSTOCK
10 Moreton Road,
Summerstown,
Oxford,
July 22.

Ferry to the Isles

From Mr Martin E. Simons
Sir, Mr Noel Banks drew attention (July 17) to what appears to be a questionable decision as regards the replacement of a ship to serve the Inner Hebrides. I draw your attention to another involving expenditure of large sums of money provided to part by the European Regional Development Fund to improve car ferry facilities from Mull to Iona at the very time when proposals have been made to have all but vitally essential motor traffic on Iona. Should we ship money from one scheme to the other?

Yours faithfully,
MARTIN E. SIMONS
24 Granard Avenue, SW15,
July 17.

Academic salaries

From Mr Michael A. Gilson
Sir, A correspondent of yours, Sir Peter Hill-Norton (July 11) suggests that the contribution of judges, military men and civil servants is so much greater than that of persons in the academic world. Indeed? Are not accountancy, law, engineering, architecture, science and medicine taught at academic institutions? These faculties produce graduates, the lack of whom would paralyze the country. Why, then, should the people who teach them not be considered great social benefactors?

Yours faithfully,
MICHAEL A. GILSON
Petroleum of Central London,
35 Marylebone Road,
July 11.

Implementing an incomes policy

From Mr Reginald Maundling, MP for Barnet, Chipping Barnet (Continued)
Sir, May I be permitted three comments on your important Leader of Saturday, July 22, "A Clear Choice on Incomes?"

You say, "The battle against inflation should be won by sound and traditional monetary and fiscal policies, combined with firm guidance for wage settlements in those parts of the economy where the Government is the effective employer." I seem to recall that when this was last tried it was known as "The public tail wagging the private dog." It was not a great success. Second, you go on to say that, "Under the guise of a policy against inflation the Government is proposing a fundamental change in the economic and social order." The fact should be plainly recognized. But it isn't a fact. The policy is designed to redress a fundamental change that has already taken place, namely, the growth of monopoly power in the hands of unions, and even more important, the growth of their consciousness of that power. I do not think you would disagree that so long as there is a danger of any monopoly of capital any government should have a policy to deal with it. Why does this not apply in your view to a monopoly of labour?

Finally, Sir, would you read your excellent Leader of May 20, of which I have the honour to say, in a letter to you of May 24, that I had never seen a better exposition of the need to supplement proper demand management with a permanent incomes policy. REGINALD MAUNDLING, House of Commons, July 24.

Defending personal liberty

From Mrs Diana Spearman
Sir, Mr Steel's attempt (July 15) to counter Professor Hayek's views (July 11) in response to your leading article on liberty is hardly adequate, apart from his sneers at "academic comforts", unworthy of the seriousness of the subject and the distinction of Professor Hayek himself. His position rests on a confusion between two different things—liberty and economic security and economic equality. At least this is what I assume is the basis of his remark, "that for many of our citizens... liberty is at present but a distant and unattainable condition." Many left-wing politicians apparently believe that to include, in the concept of liberty every other desirable attribute of a social system somehow eliminates the conflict which may, and at times does, exist between liberty and other goods. If the possibility of such conflict is denied, people are being deceived, either deliberately or from middle-headedness, and the possibility of rational discussion of the issues is destroyed. One may hold that liberty is more important than economic security or that economic security is more important than liberty, and as long as the two things are distinct people may choose which they prefer, or even the amounts of each they wish to have. If however they are told that with equality of income or economic security, liberty will be lost, only rational debate is undermined. It is becoming more and more plain, as Professor Hayek has long said, that democracy does not automatically lead to economic freedom. Unlimited democracy may be as great a threat to individual liberty as other forms of unlimited government. I remain, Sir, your obedient servant, DIANA SPEARMAN, 7 Lord North Street, SW1.

From Mr R. W. Baldwin
Sir, Mr Steel's sharp reply (July 15) to Professor Hayek (July 11) itself invites a riposte. The liberty which men applaud and which they wish to see in the world is not the liberty to murder, rob and oppress but equal liberty, i.e. to live in peace

A report from Rhodesia

From Mr Ronald M. Bell, QC, MP for Beaconsfield (Conservative)
Sir, I must protest, as I am sure that most readers of *The Times* will wish to protest, against the presentation of a highly controversial article in *The Times* today (July 24), written by Mr James Wilkie. Headlined as the top of the front page of *The Times*, it appeared to be an unduly one-sided report by a *Times* correspondent, and I read it as such with increasing astonishment and incredulity. One is so happily accustomed to anti-white bias in much of the reporting on Rhodesia, but not in such wilful thinking by someone so bitterly hostile to the Rhodesian Government as one encountered in this spiteful effusion. Only at the end did one discover that this was a contributed article

I cannot believe that any thinking man would believe that a sensible wage settlement would hold a different view. Yours faithfully, TORRINGTON, 67/68 Jersey Street, SW1, July 21.

From Mr Edward F. Northcote
Sir, The continuing debate between you and Mr Godley is sterile. It is now nine years since I realized that the UK economy was inevitably heading for a major prolonged recession, and although I was wrong in my forecast of the rate at which unemployment would rise, nobody then thought it would get to 1.5 million. The effect of the rise in the price of oil has surely now been absorbed, and there is no way North Sea oil can now be expected to increase employment over the next 15 years, though it will have other advantageous effects. What has happened since the war has been that with employment so high, labour has got too powerful, and profits have been squeezed to such low levels that the necessary investment has been reduced to a minimum. This process has been assisted by the industrial mergers which have destroyed much of the healthy competition that previously existed. That is no doubt why Mr Murray opposes Mr Hattersley's proposals to examine mergers in a different way. Unless one finds it easier to get higher money wages out of monopolies than out of competing firms. But he was being short-sighted. Competing firms produce more wealth than monopolies, and the lion's share of this wealth must eventually find its way to labour.

This process has been masked by inflation. The real vice of inflation is that it makes it more difficult to persuade economists to realize, and consequently people behave in a way that is against their own best interests. But the economy is now in such a seriously weak and imbalanced condition that any course surely would effectively stop inflation would undoubtedly precipitate a substantial rise in unemployment. I would regard this with some equanimity, because the unemployment is inevitably going to come one day in the not too far distant future, and it will be better to have it sooner rather than later. There is light at the end of the tunnel. We have experienced these long-term recessions several times before. They have changed attitudes and behaviour in different ways, but have always been followed by periods of prosperity that have lasted just as long. I am due to retire in 1993, and am looking forward to a very comfortable old age before I die. Yours faithfully, EDWARD F. NORTHCOTE, 91 Cottenham Park Road, SW20, July 20.

provided they allow others to do the same. Democracy in the sense of majority government with universal suffrage is certainly no guarantee of equal liberty. That great Liberal, S. Mill said over a century ago that it can be "tyrannical as any autocrat." If the majority believe that the oppression of a minority is in their interest, they are very liable to oppress. Hence Professor Hayek's reference to limited democracy, i.e. democracy where voters are limited by a written constitution or other device to ensure that equal liberty is safeguarded. The great problem is how to interpret equality of liberty in relation to economic life, which by definition is concerned with scarcity. How is wealth, created by work applied to material needs, distributed by the equity of rewarding effort and skill through the market, which subject to necessary controls is likely to maximize satisfaction, or by distribution equally according to need? Should the raw resources be available equally (by public ownership or otherwise) between individuals and nations, and what about the benefits of discovery, invention, organization and industry, which some by skill, effort and talent may have contributed more than others? When these questions have been answered (so forming our definition of social justice?), what about generosity, fraternity, mutual help etc. and how far should the state go in this field?

Professor Hayek, I surmise, advocates a democracy limited in the sense above, aiming at equality of liberty, including the controlled liberty of market economy, by aiming also at equality of opportunity, and at public care for the less fortunate in so far as private solidarity falls short. He and Mrs Thatcher believe that in the early years of the pendulum in the United Kingdom has swung too far away from such a compromise in the direction of regimentation, excessive meddling, stifling of individual responsibility and initiative. It would be helpful to know where the Liberals would strike their own balance. Yours faithfully, R. W. BALDWIN, Penn, Alderley Edge, Cheshire.

of which the author was the African Secretary of the British Council of Churches. Had this information been given at the beginning, instead of at the foot of a confidential column on page 5, where many Times readers would not have seen it, there would have been no need to read the article at all for anyone who takes the view that the World Council of Churches and the British Council of Churches do not set events in Africa with a clear or impartial eye. Detailed refutation of Mr Wilkie's conclusions would be a waste of time. The important thing is to know from whom they come. As a life long reader of *The Times* I am deeply disturbed by the headlining and presentation of this contribution. Do they mean that *The Times* itself is not seeing Rhodesia with a clear and impartial eye? I am, Sir, your obedient servant, RONALD M. BELL, House of Commons.

Lessons for West in dissident trials

From Mr Robert Conquest
Sir, One of the charges against Alexander Ginzburg, in the disturbing copies of my book *The Great Terror*. This is regarded as "slander" against the Soviet state. But the book was a careful attempt to reconstruct the truth about the Soviet purges, and was so recognised by reviewers right and left ("meticulous", *New Statesman*; "definitive", *Tribune*). Nor were the actual crimes recorded any worse than some of those publicly exposed by Khrushchev and others in the early sixties.

In qualifying such a record of events as "slander" the Soviet leaders make themselves defenders of the crimes of Stalin and Stalinism—not only his but also, to this day, his accomplices. When, in February, 6,000 of the Soviet elite heavily applauded two favourable references to Stalin in a major speech by Marshal Ustinov, they were declaring that allegiance. The lesson to us in the West is clear: the free movement of people and ideas seen in Helsinki as a necessary component of progress to a stable peace has not been achieved, to put it mildly. The Kremlin's action against those in its power who have shown the principles of trust and of freedom is a declaration of the survival of the whole of Soviet policy, foreign as well as domestic. What they do to Ginzburg is what they would do to all who would challenge the chance, and their fundamental foreign policy aim is to get that chance. The lessons for our own foreign policy are obvious. Yours faithfully, ROBERT CONQUEST, Hoover Institution on War, Revolution and Peace, Stanford, California, July 22.

From Mr Andrei Sinyavsky and Mr Igor Golomshok
Sir, In the accounts of the trials of Alexander Ginzburg and Anatoly Shcharansky published in your paper on July 14 last, it was said that the Soviet judge had misquoted Ginzburg's punishment as he had "taken into account Mr Ginzburg's two small children and his cooperation with the authorities in gathering evidence against Mr Anatoly Shcharansky, a fellow Helsinki Group member".

The political weeklies

From Professor Norman MacKenzie, Sir, As one of Kingsley Martin's collaborators in the "silver age" of the political weeklies may I add a comment to Anthony Howard's article (July 22) on their decline? As the *New Statesman* certainly was written by and for what Shaw long ago called "downstarts" or "intellectual proletarians"—persons of gentle and educated origin who identified with the deprived masses of Poplar, Poppleton and the Punjab. Whether Fabian in politics (the front half of the *New Statesman*) or Bloomsbury in culture (the back half) such people managed to combine the life styles of the middle class with the principles of socialism, and for its first 50 years the *New Statesman* exemplified that combination and thrived upon it. Times have changed. Contemporary "downstarts" have found other causes (ecology replaces poverty) folk heroes (Che Guevara replaces Nehru) and voices (*Private Eye*, *Private View*, *Moles* and other examples of the fashionable underground). No change of editor, for instance, or contents would have enabled

Warwick Castle contents

From Miss Priscilla Greville
Sir, I believe W. H. C. Lambton's letter (July 19) in response to your leading article (July 17) of Warwick Castle to be totally misconceived. It is not a question of whether the contents "might look their best at Warwick as they were presumably acquired so, completion of the castle. The important point is that the contents were there because they were part of Warwick's own history; the coronation portrait of Elizabeth I, because of her connexion with the castle, the *Canterbury Tales* because of the castle's history, the *Canterbury Tales* because they were the castle's and the family's part in English history.

Mr Lambton has also confused the questions of wealth and historic importance. Of course a castle can be made that a large accumulation of wealth made within a small country must in some sense be the property of the people, but this was not the reason of the article. No objection was being made in the large sale of lands which enabled Lord Warwick to live abroad—this would be the real comparison with the sale of Mr Lambton's Metamatic alarm clock.

In the past the justification for the position of power and privilege of the aristocracy was indeed, as Mr Lambton suggests, the responsibility they discharged to the

Nationalization poll

From Mr T. F. Thompson
Sir, According to the Parliamentary Report (July 11) in *The Times*, both the Prime Minister and Mrs Thatcher made reference to our latest poll on nationalization. If the Prime Minister is correctly reported, he seemed to be implying that, though nationalization is very unpopular, the National Enterprise Board is a much favoured institution with a great future.

A great future it may have, but favoured by the public it is not. If I may use your columns for a purpose, I would like to release a few figures from the same poll which showed that only 3 per cent of voters have a great deal of confidence in the National Enterprise Board, and only a further 20 per cent have quite a lot of confidence in it. Yours sincerely, T. F. THOMPSON, Chairman, Opinion Research Centre, 30 Walbrook Street, W1, July 12.

Such a statement (which is not mentioned in the official TASS reports) can give a false impression in the minds of your readers of firstly, the "humanism" of the Soviet court and, secondly, an unbecoming behaviour by Ginzburg during the trial. Having known Ginzburg personally and having followed the public life of the courageous and irrefragable person for 20 years, we can testify that there can be absolutely no question of his cooperation with the Soviet punitive organs in any form whatsoever. The words of the Soviet judge could only have meant the following: Ginzburg found himself in the situation of a witness for the prosecution against Shcharansky in the same way as Vili Daniel found himself being a witness against Sinyavsky and Sinyavsky against Daniel during their joint trial (in February, 1966), and in the same way Golomshok's wife found herself being a witness against her husband during his trial (in May, 1966). All these "witnesses" confirmed what the defendants themselves had been saying continuously during the investigation. According to Soviet legal practice, the testimony of the defendant is not proof of his guilt, and, for example, in the verdict in the case of I. Golomshok, the precise following words were included: "On the basis of testimonial evidence of N.K. (his wife), the guilt of I.G. has been established."

Only such a formal moment could have been used by the Soviet judge in his final speech. His statement about the evidence given by Ginzburg against Shcharansky (if such a statement was made) is only testimony of the Soviet authorities' decision to destroy Ginzburg physically and smear him morally, and in this manner cause a division within the opposition movement in the USSR in order to destroy it from within. Concerning the "humanism" of the Soviet court, his dumb sentence of eight years' hard labour in a special regime camp, as punishment for a charge under a political article, speaks for itself. Respectfully yours, ANDREI SINYAVSKY, IGOR GOLOMSHOK, Fontenay-aux-Roses, France, July 19.

The *New Statesman* to compete in that left wing market. And the older readership dies off, and before it dies it moves to the right. Many of those for whom the *New Statesman* was once indispensable reading have come to dislike the world that has been shaped by their youthful notions of socialism, trade unionism, colonial liberation and equality; perhaps, as Mr Howard implies, they have reappeared among all these additional readers of the *Economist*. The larger question—of which the decline of the *New Statesman* is only an expression—what has happened to the middle-class reform movement which emerged in Victorian England, and in this century broke out in such surges as the elections of 1906 and 1945, and such extra party movements as the Labour Party and the Campaign for Nuclear Disarmament. Has it been destroyed by its own success in attacking the sources of middle class life? Yours faithfully, NORMAN MACKENZIE, School of Education, Education Development Building, University of Sussex, Brighton, July 22.

country and people in, among other ways, the exercise of leadership in war. Today it is perhaps shown partly in the preservation of historically unique institutions such as Warwick Castle. All great families were brought up to believe that they were in a sense custodians more than beneficiaries; most families have behaved magnificently, which makes Lord Brooke's destruction of Warwick Castle as an historic institution all the more lamentable.

Many families have battled on against hopeless odds, against punitive taxes and ungrateful governments. They do so because they (and I) are indeed aware of the stature of our forefathers, and of our duty to the history that they left us. As far as money as such is concerned—there is a considerable difference between "need" and "want". It would be rather hard to make out a very good case for 5 million pounds for their own personal use.

Do not insult me, Mr Lambton. I come forward in great sadness, holding that once proud and noble banner of my ancestors—"I scarcely call these things our own". Yours faithfully, PRISCILLA GREVILLE, Queen Anne House, 14 Markers Square, Milton Keynes.

Henry Moore in the Park

From Mr Humphrey Brooke
Sir, Mr Roy Miles and Mr Nigel Dyckhoff (July 19) suggest a permanent memorial to Mr Moore's "genius". Why a memorial? To a man still happily creative? The Albert Memorial near the proposed site and the Churchill Memorial in Parliament Square followed the usual procedure of being planned after their subjects' deaths. Henry Moore in his lifetime even "permanent" display of one of his works is to risk future vicissitudes in taste.

At Melis in Somerset the local War Memorial (for 1914-18) takes the form of a life size cavalry officer on horseback created and modelled by the late Sir Alfred Munnings. Although personally I admire this work there are many including perhaps Mr Dyckhoff, who do not. Such are the inevitable variations in taste—reflected in "art history". Yours faithfully, HUMPHREY BROOKE, 8 Pelham Crescent, SW7.

سكربت الاموال



BUCKINGHAM PALACE
The Queen and The Duke of Edinburgh were present this evening at a Reception at St James's Palace given by Her Majesty's Lord-Lieutenants.

The Marchioness of Cambridge, the Right Hon Sir Philip Moore and Lieutenant-Colonel Blair Stewart-Wilson were in attendance.

KENSINGTON PALACE
July 24: The Duke of Gloucester was present at a performance of the Royal Commission on Legal Services in Scotland, in succession to the late Mr. G. M. Shaw.

Lieutenant-Colonel Simon Bland was in attendance.

THATCHED HOUSE LODGE
July 24: Princess Alexandra, with the Hon Angus Ogilvy, after a picnic on the grounds, arrived at the Thatched House Lodge for a purpose-built caravan and camping site for physically handicapped and able-bodied young people.

The Lady Caroline Waterhouse was in attendance.

Lord Nicholas Windsor is eight today.

The Hon Mrs James Darnley gave birth to a son on July 24, in the Lindo Wing, St Mary's Hospital, Paddington.

Birthdays today
Lord Amherst, 78; Mrs F. (Vivienne) Kinnis, 91; General Sir Richard Galt, 82; the Rev Derek Harbord, 76; Professor Sir John Macdonald, 74; Dr Basil Willey, 81; the Marquess of Westminster, 79.

Christening
The infant son of Mr and Mrs Jonathan Kitchen was christened Anthony Jonathan on July 23 by the Rev David Pope, at St Mary Magdalene, Rugby. The godparents are Mr Michael Connolly, Mr Harry Sparks, Miss Jean Thomson and Mrs David Wright.

Today's engagements
The Queen and Duke of Edinburgh give garden party, Buckingham Palace, 4-6.

Princess Anne and Captain Mark Phillips attend the Royal Tournament, 7-20.

Princess Margaret, as president, Royal Ballet, attends gala performance, The Sleeping Beauty, Royal Opera House, 7-20.

Exhibitions: The Royal Family, London Museum, 10-6; Young People's Exhibition, London Museum, 10-6; German photographers, Camden Arts Centre, Arkwright Road, Hampstead, 11-6; Overlord, Embroidered Quilt, 10-4-30; Quilt, Chiswell Street, 10-4-30.

Redtails: Delme Street, Quartet, Bishops Gate Hall, 1-5; Wolfgang Oehme, organ, St Lawrence Jewry, 1.

Talks: Organization women, Mary Stok, Museum of London, 1-10; Henry Moore, The human image, Tate Gallery, 1.

Readings: Richard Adams reads *Salvo* and narrative poems, St Olave's, Hart Street, 1-05; Air display, RAF, Church Fenton, Tadcaster.

Walk: Ghosts of the City, meet St Paul's Station, 7-30.

Marriages

Mr C. C. St. J. Rushton and Dr B. E. A. Mounsey
The marriage took place on Saturday, July 22, between Mr Christopher Rushton, of Bedford, son of Mr and Mrs John Rushton, and Dr Barbara Mounsey, daughter of Mr and Mrs John G. Mounsey, of Oxford, Birkenhead.

Mr N. G. D. Sorby and Dr S. M. M. Eastcott
The marriage took place on Saturday, July 22, at All Souls' Langham Place, between Mr Nicholas Sorby and Dr Sheila Mary Mitchell Eastcott.

M. V. Taranakoff and Miss G. Raber
The marriage took place at Brighton on July 24 between M. Vladimir Taranakoff and Miss Gay Raber, daughter of Mr and Mrs J. Raber.

Latest appointments
Latest appointments include: Sir George Sharp to be a member of the Royal Commission on Legal Services in Scotland, in succession to the late Mr. G. M. Shaw.

Mr David Mawson, chairman, British Association of Friends of Museums, to be president, World Federation of Friends of Museums, for a further three years.

Prospective candidate
Mr Marion Roe, Deputy Chief Whip of the majority party on the Greater London Council, to be prospective Conservative parliamentary candidate for Barking, which is held by Miss Josephine Richardson (Lab) with a majority of 16,250.

Lord Bleas
The life peerage conferred on Mr W. W. Bleas has been gazetted by the name, style and title of Baron Bleas, of Cromac in the city of Belfast.

Bravery awards
Flight-Lieutenant B. J. M. Limb has been awarded the Queen's Gallantry Medal, and Senior Air Commodore M. G. Vait the Queen's Commendation for Brave Conduct, for bravery after an air crash at RAF Akrotiri, Cyprus.

Latest wills
Latest estates include (net, before tax paid; not disclosed):
Mr Charles Howard, of Lichfield, merchant, £18,085.
Brotherhood, Mr Patrick Joseph, of Derby, £132,357.
Colwell, Mr Clive Kear, of consultant, £187,430.
Johnston, Mr Francis Geoffrey, of Northampton, £170,666.
Mew, Mr John Albert, of Tenterden, engineer, £131,157.
Rayner, Mr William, of Amersham, manufacturing, £307,234.

Chartered Secretaries' Company
The following have been elected officers of the Company of Chartered Secretaries and Administrators for the ensuing year: Master, Mr J. Phillips; Senior Warden, Mr J. E. S. E. Mason; Junior Warden, Mr T. E. D. Mason.

Arts Council vacancies
The Arts Council, which has vacancies for its advisory panels and committees, is inviting applications from people qualified to advise on art, drama, literature, music, sculpture, film and community arts.

Correction
Her Majesty's Government was represented by Mrs Judith Hart, MP, at the memorial service for Mr R. L. Bradshaw on Saturday, not by Mr Evan Luard, MP, as stated yesterday.

Charles II's marriage certificate is sold

By Geraldine Norman
Sale Room Correspondent
Charles II's marriage certificate was sold at Sotheby's yesterday. It was written in the hand of the Earl of Manchester and was included among the papers of Francisco Melo e Castro, the ambassador to England who negotiated the king's marriage to Catherine of Braganza. The extensive archive of papers, sent for sale by a descendant of the ambassador, brought £33,000 (estimate £30,000 to £35,000).

Francisco Melo e Castro was ambassador under Cromwell and continued after the Restoration.

Forthcoming marriages
Colonel I. S. Drew and Miss E. W. Pomeroy
The engagement is announced and the marriage will take place on August 12 between Colonel Ian Drew, TD, and Miss E. W. Pomeroy, of High Leigh, Cheshire.

Mr L. Fielding and Dr S. P. J. Harvey
The engagement is announced between Leslie Fielding, of The Paragon, Garmouth, Devon, and Dr S. P. J. Harvey, of St. Hilary's College, Oxford.

Mr I. A. C. Monson and Miss J. L. Brandenburg
The engagement is announced between Ian, second son of the late Captain C. S. Monson and Mrs Lodge, Westleigh House, Norfolk, and Janet, elder daughter of the late Mr H. A. Brandenburg, of Orlando, Florida, United States.

Mr N. J. Turner and Miss S. Glynn
The engagement is announced between Nicholas, elder son of Mr and Mrs John Turner, of Retford, Nottinghamshire, and Sarah, younger daughter of Mr and Mrs Hilary Glynn, of Albury, Ware, Hertfordshire.

25 years ago
From The Times of Friday, July 24, 1953

Foreign aid cut
From Our Own Correspondent
Washington, July 23.—Republican leaders in the House of Representatives have today rejected President Eisenhower's eleven-point plan to cut foreign aid.

The House, sitting as a legislative committee during the voting on amendments, passed a resolution to cut \$500 million from the military aid funds to help foreign governments to resist communism.

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The letters make clear the terms of the marriage. Charles II was to receive a dowry of two million cruzados, the cession of Tangiers and of Bombay and complete liberty of conscience for the English merchants. In return the ambassador asked protection for his country from Holland and Spain and for liberty of worship for Catherine of Braganza.

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The letters, some with which Queen Mary, the "Bloody Mary", created the barony of Howard of Effingham dated March 11, 1554, were sold for £3,500 (estimate £2,000 to £5,000).

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THE TIMES

BUSINESS NEWS

Service—the challenge for Post Office, page 19

German ministers disagree on two key issues in EEC monetary talks

Mr Norman July 24. Ministers and central bankers of the nine states of the European Community produced more than answers when they met in Brussels today for the first time at defining the shape of the new European system.

There was a general feeling that the meeting had produced one, two significant problems emerged, and other open questions were referred to the monetary committee and the EEC central bank for a detailed study to be dealt with by the committee at meetings on or 18 and October 23, the October 31 deadline for agreement on the new system.

A major problem concerned reference point, or to be used in determining exchange rates in the new system. The member countries would be required to back up the bank intervention to maintain the exchange rate within the limits of the new system.

Mr. Denis Healey, Britain's Chancellor, made clear after the meeting that he supports determining exchange rates in terms of a basket of currencies as this would make it easier to obtain a symmetry of obligations between surplus and deficit countries in the system.

More surprising were the differences that emerged over the contribution of funds to back up central bank intervention. Mr Healey said that the Germans had surprised him and other ministers by saying they did not regard themselves as committed to a pooling of reserves.



Mr Healey, the Chancellor, in earnest discussion with M René Monory, French Finance Minister, at yesterday's meeting in Brussels.

It would appear that German reservations are dictated primarily by domestic political problems. The Opposition controls the upper house of parliament in Bonn, and so could block legislation to allow reserve pooling through changes in the federal bank law.

Although German delegation sources stressed that Germany was thinking of some other method that would have the same practical effect, the emergence of this problem was the salutary reminder as to how many gaps exist in the Bremen communiqué of July 7 which is the basis of the present discussions.

The lack of precision in the Bremen document became increasingly apparent as the ministers dealt with other specific problems.

Members of the existing currency group showed themselves to be particularly wary of the proposed system with the smaller members, backed by West Germany, calling for the continued existence of the snake until the new system had proven itself.

Where unanimity was achieved was in an agreement that the studies to strengthen the economies of the less prosperous members of the EEC should be truly concurrent with the deliberations on monetary cooperation. This question has been referred to the economic policy committee of the EEC and its terms of reference will probably be drawn up later this week.

Mr Healey said afterwards that the meeting had produced a very satisfactory outcome from the British point of view. He said that Dr Hans Maubach, the chairman, West Germany's Finance Minister, accepted that the new system should be measured against the criteria raised by the British at the last finance ministers council meeting in June.

These included symmetry, or the placing of equal obligations on surplus and deficit countries, the insistence that the new system remove rather than increase restraints on growth and that exchange rate adjustments should be carried through when needed to reflect real differences in economic performance.

In turn, Mr Healey's approach to today's meeting was a welcome surprise for some of the ministers present, including M René Monory, the French economics minister, who expressed appreciation that the British had not raised more objections.

Treasury's dividend control plans tighter than expected by the City

By Bryan Appleyard. Treasury clarification of the Chancellor's dividend control proposals has revealed they are tighter than was originally thought by the City.

Two potential loopholes have been closed. First the new provision to increase dividends so as not to raise cover above the highest level since December 1972 will only be open to companies with financial years ending after July 31.

This means that a company with a year ending before that date, but whose annual meeting at which the final dividend is voted upon is after that date, cannot take advantage of the new rules.

The other loophole involves accounting policies. Initially it was hoped that, by taking in the latest accounting proposals on deferred tax, companies could raise their earnings and thus win Treasury approval for a dividend increase above 10 per cent. But the Treasury now says "the cover for each of the relevant years will be computed on a consistent basis".

It is also made clear that previous undistributed profits and transfers from reserves will not be taken into account in calculating cover. In other words the Treasury will only consider the one year's trading as the basis for its sums.

Companies are also not allowed to take advantage of the new ruling until the declaration of their final dividend. At the interim stage they can declare any figure they like as long as it does not exceed the total payout for the previous year by more than 10 per cent.

This last point combined with the July 31 rule effectively means that the first batch of companies to be affected will be those with years ending in September, as an August year end is unusual.

These results will be coming out around November or December so any major dividend increases under the new rules will not now occur until after the outcome of an expected October general election.

Callaghan advice to ministers: cut red tape

Mr Callaghan's personal intervention in a vital part of the everyday work of Whitehall could, if successful, earn him the gratitude of business executives.

His target is the official form, whether administrative or statistical, and his aim is to persuade ministers to adopt "a more critical and imaginative approach" so reducing industry's burden of official paperwork.

His campaign will be studied closely particularly by small companies. Government form-filling often gives rise to as much emotion as taxation levels and legislation; it is cited as tedious and often unnecessary, and even castigated as inefficient.

Mr Callaghan, inspired by his small firm's supremacy, Mr Harold Lever, Chancellor of the Duchy of Lancaster, has instructed all ministers to begin a thorough review of all administrative forms and regular statistical inquiries.

While recognising that without our forms the work of government would collapse, he wants them to be kept to a minimum and made as uncomplicated and straightforward as can be devised. "I am not satisfied that enough is being done at present to the end," ministers have been told.

In gingering up the Civil Service, as he explained to MPs yesterday, Mr Callaghan has asked whether all forms are indispensable and their purpose is achieved in another way; whether completing the form could be simplified, the layout and design improved, questions simplified, and explanatory notes made more clear and concise.

He also wants to know if small firms could be exempted entirely from some of the red tape.

In a separate letter to ministers about statistical forms (government departments issue 500 regular surveys) the Prime Minister reckons there is substantial scope for reducing the burden, particularly on small firms, without harming official statistical needs.

"Small firms are seldom equipped to handle such inquiries and the task falls on the proprietors or managers whose time could better be devoted to running the business."

It is planned to review all statistical surveys, both statutory—like the annual census of production, and the voluntary "like the monthly inquiry into retail trade—the hope that the size of samples can be cut, along with the frequency of surveys.

This tentative unravelling of the complexities of Whitehall forms, however, will not be achieved without the need for new government machinery.

Both reviews are to be overseen by a committee of ministers and officials, who will also receive every six months a report from Mr Bob Cryer, the minister in charge of the small firms division at the Department of Industry.

Edward Townsend

Optimistic hope of early recovery in economy

Mr Vogl July 24. The Administration is confident that within a few weeks the overall shape of the economy will appear stronger.

Mr. Michael Blumenthal, Secretary of the Treasury, said in a television interview that interest rates may now have risen to "the danger point" where further increases could damage the economy's overall growth rate. He stressed that the Federal Reserve Board was fully aware of this and that the Administration was determined to tighten fiscal policies.

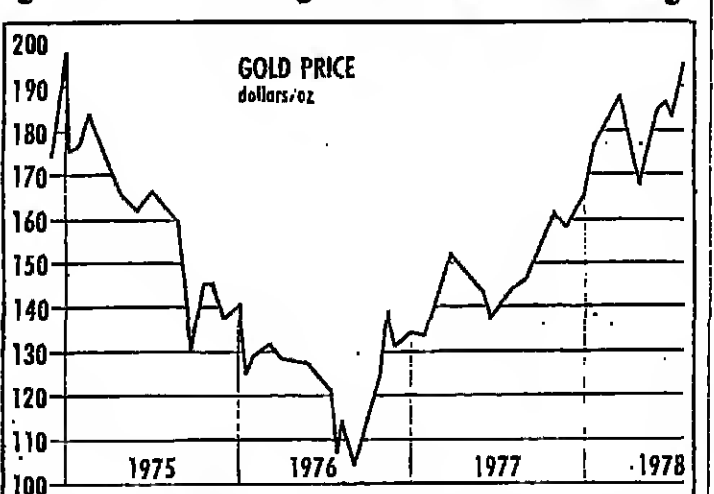
For example in preliminary planning for the 1980 fiscal year budget every effort was being made to ensure a deficit of less than \$40,000m (about £20,750m) and the final figure could be below \$37,000m.

On Friday the Department of Commerce reported that real gdp rose by 7.4 per cent in the second quarter, after a decline of 0.1 per cent in the first quarter and Administration officials added that it now looked probable that the White House forecast of 4.1 per cent real growth for all of this year would not be achieved.

Mr Blumenthal asserted, however, that the rate would be between 3.5 and 4 per cent.

stabilize the dollar by dealing with fundamental inflation and balance of payments problems.

Mr Blumenthal noted in a television interview that interest rates may now have risen to "the danger point" where further increases could damage the economy's overall growth rate. He stressed that the Federal Reserve Board was fully aware of this and that the Administration was determined to tighten fiscal policies.



the foreseeable future and there were plenty of signs of continued substantial growth.

To secure such growth the Administration wanted swift Congressional approval of its \$19,400m tax-cutting programme.

The latest gnp figures also showed that prices, as measured by the chain price index, rose 10.1 per cent in the second quarter, after a 7.1 per cent gain in the first quarter.

Mr Blumenthal said that the Administration was determined to move ahead with the anti-inflation programme it outlined on April 11 and secure voluntary wage and price restraint in the private sector.

Coffee market fall could cut 15p off 4 oz jar in autumn

By Wallace Jackson. Commodities Editor.

For the first time in more than two years some robust coffee positions were quoted at less than four figures on the London market yesterday.

Turkey had risen from \$8.2m to \$8.85m. Problems were caused by a combination of disruption from renovation work and sluggish sales.

Most of the renovation work has been finished and consumer spending is on the upturn.

be over for at least another month.

Another factor is lack of buying interest on the part of roasters who appear still to have stocks in hand. On the other hand, some South and Central American producers of mild coffee are anxious to sell to obtain foreign currency and are willing to meet the market price.

Derek Harris writes: If coffee holds to this scale of decline prices in the shops could by the autumn tumble between 10p and 15p for a 4oz jar of powdered instant coffee.

Since the historically high retail prices of the spring of last year when some instant coffees were retailing at £1.60 for 4oz—with freeze dried coffees selling at a premium above that—shop prices are now down to just over £1 and below.

J. Sainsbury, the grocery chain, is now selling their Vendo brand of powdered instant coffee at as low as 69p for 4oz and their own-label refill packs at 75p.

Brooke Bond in £21m bid for Australian firm

By Richard Allen.

Brooke Bond Ltd is to make a £21m takeover bid for control of Busbells, Australia's biggest tea and coffee processor and wholesaler.

The British company already has a 20 per cent stake in Busbells' main trading subsidiary, which accounts for more than half the Australian packet tea market and about 12 per cent of the market for tea-bags.

Mr H. F. Somerville, Brooke Bond's finance director, said yesterday that the bid followed an approach from family interests. Principal stockholders of Busbells had already provisionally accepted the offer in respect of 51.1 per cent of the shares.

Busbells last year made a pre-tax profit of £3.72m. But Mr Somerville said a property revaluation should ensure that the deal would involve negligible goodwill.

Financial Editor, page 19

Bank's £20m profit reflects provision for support

Mr Pullen. The Bank of England's profit for the year ended February 28 is £20m, against a loss of £13m in the previous year.

The bank's profit is a result of its lower cost of funds, its improved efficiency, and its provision for support.

The bank's profit is a result of its lower cost of funds, its improved efficiency, and its provision for support.

pared with £186.4m at the previous balance sheet date.

In its review of monetary developments in the current year, there are some heartening words about the outlook for the money supply with the Bank's comment that gilt-edged sales in the current financial year have been on "a sufficiently massive scale to make it probable that the growth of sterling M3 over the first months of the current year will be kept to small dimensions".

There is also a qualified welcome for the new system of publicly announced money supply targets which the Bank feels has provided "a useful yardstick against which performance could be judged and hence resulted in earlier corrective action than might otherwise have been taken".

American rebuff for Visa credit card expansion

Plans by Visa International, the credit card group in which Barclaycard is the UK member, to launch its own travellers' cheques, received a setback yesterday when Bank of America declared it would not participate.

Visa announced last month that it had asked several thousand financial institutions to cooperate in building a rival travellers' cheque scheme to American Express.

Bank of America said banks "should study the numbers carefully" in the Visa scheme, since the travellers' cheques business was a high volume and low margin one from which banks have been withdrawing in recent years. In the meantime it would continue to issue its own cheques.

Royal Dutch/Shell signs gas pact with Abu Dhabi

The Royal Dutch/Shell group said yesterday that an agreement had been signed with two other foreign oil companies to develop a gas field in the Abu Dhabi area.

The project, valued at \$1,600m (about £829m), is to collect, process and export natural gas from the Emirate's offshore oilfields.



Mr Johannes Witteveen, former managing director of the International Monetary Fund, whose reappointment to the supervisory board of the Royal Dutch/Shell group is being proposed to shareholders at a general meeting in Rotterdam on August 18.

Under the 30-year agreement, the Abu Dhabi National Oil Co would have a 68 per cent interest in the new venture. Abu Dhabi Gas Industries—with Royal Dutch/Shell and the Compagnie Française des Pétroles each holding 15 per cent and the Lisbon-based Parate the remaining 2 per cent.

Production, expected to begin in 1981, is planned at 5 million tons per annum, split between liquefied petroleum gas (60 per cent) and condensates (40 per cent), according to a Shell spokesman.

Natural gas, now being flared at the three offshore fields, will be piped to a coastal storage facility and processing plant for transfer to tankers. The facility will handle 23 million cubic feet of gas a day.

produce a new long-dated stock given the present lack of interest in the medium-dated tap stock.

Financial Editor, page 19

the markets moved

The Times index: 211.39 +1.73
The FT index: 483.9 +4.7

THE POUND

Bank	Bank	Bank	Bank
McCom	12p to 274p	Hardison Crns	121p to 550p
All Tel	12p to 333p	Libanon	12p to 562p
Nat	12p to 333p	Municipal	25p to 250p
Wood	12p to 333p	Standard Chart	14p to 404p
Widit	12p to 333p	Verderpost	13p to 250p
Wigs	12p to 333p	Verderpost Ref	15p to 190p
and	12p to 333p	Wiggin Constr	6p to 310p
Life	10p to 345p	Winkthack	2p to 833p

Spam Pes	153.00	146.00
Sweden Kr	9.02	8.62
Switzerland Fr	3.59	3.37
US \$	1.98	1.92
Yugoslavia Dn	36.75	34.75

Gold rose 53.25 an ounce to \$195.125.	
5DR\$ is 1.25478 on Monday, while 5DR£ is 0.648465.	
Commodities: Reuters' index was at 416.4 (previous 417.3).	

Notes for small denomination banks only; as stipulated yesterday by Reuters' Bank International Ltd. in view of the fact that the French franc and the Yugoslavian dinars and other foreign currencies	
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East Europe chemical deals worry the West

By Peter Hill

There has been a marked growth in the number of compensation deals under which companies in Western Europe construct major chemical plants in the communist block and the cost is paid in products.

Now Western Europe's chemical industry is worried at the disruptive effect which low-priced products from East European countries is having on the international market. The European Commission is being urged by the Council of European Chemical Industry Federations (Cefic) to tighten surveillance and monitoring of the imports.

A survey published yesterday revealed that by 1980 Western Europe's chemicals trade with Eastern Europe will be transformed from a surplus to a deficit. The deficit of \$1,600m (about £229m) three years ago is likely to become a surplus of \$1,800m in 1985.

According to the survey, published by the weekly industry journal, *European Chemical News*, East European chemical purchases from West Europe will rise from about \$1,300m last year to about \$3,600m in 1985.

Compensation deals were now the fastest growing element in East-West chemicals trade and such trade was likely to grow to more than 30 per cent of East European chemical sales to Western Europe in 1985. According to the journal, the main impact will be felt in the commodity chemicals product area including fibres, synthetic rubber, fertilizers, and base chemicals, where East European exports would mostly supply between 2 and 5 per cent of Western European consumption.

Already, Eastern Europe has captured a significant share of the West European market for fertilizers and synthetic rubber and over the next three years it will also become a net exporter of bulk plastics.

The greatest disruption of western markets, said the journal, would occur to those products which are sold direct to industrial or non-chemical consumers, particularly plastics, fibres, rubber and fertilizers and in the case of products which could be sold only to chemical companies for further processing, investing in Eastern Europe could replace plants in the West.

One area under particular threat is ammonia. Under compensation deals Soviet exports of ammonia could amount to 2.5m tons a year after 1980-81 while last year's total world trade was only 4.6m tons.

Tenoco, the United States producers, has already closed its ammonia plant and is buying and marketing Soviet-produced ammonia. *ECN European Review*, £2.

Only United Kingdom and Japan likely to increase production

Forecast of fall in world car output

By David Felton

United Kingdom motor vehicle producers are expected to be at odds with the worldwide trend this year and will marginally increase output. Along with Japan, the United Kingdom is the only major vehicle-producing country likely to boost output in a declining market.

These are the findings of a special report on the world motor industry compiled by the Economic Intelligence Unit, which nevertheless says that prospects for the industry look bright and that for companies with imagination and talent there are worthwhile times ahead.

The report is also optimistic about British Leyland's future providing there is cooperation from the workforce, but advises the state-owned company to keep a low profile until it can create a more favourable image abroad.

Car production throughout the world is expected this year to be 26.1 million units, a drop of 1.5 per cent compared with last year, and the report forecasts little change next year.

However, car production in the United Kingdom is likely to rise by just under 2 per cent and the report expects a small increase in the country's commercial vehicle output, which again will turn against the worldwide trend.

The report's authors point out that the substantial increase in car production in

other countries between 1975 and 1977, which was not matched in the United Kingdom, is bound to lead to a reaction and generally there will be a fall-off in production which could extend into next year.

No detailed predictions for the next decade are made in the report, but the authors expect an upturn. "The 1979 downturn is not so much a recession, but more a pause for breath and a reaction to the extremely buoyant conditions of 1977."

Japan has had remarkable successes during the last few years, says the report, but it points out that the danger of protectionism is growing, particularly if Japan discontinues its policy of retarding the barriers facing overseas competitors.

There are still major obstacles to entry to the Japanese market, notably the difficulty in setting up dealer networks.

Taking a long-term view, the report expects the growth of the South Korean motor industry and the increasingly stringent regulations governing construction and use in the United States to play an important role. The authors are unlikely to affect production, with the outlook for individual companies being influenced by the broad economic conditions in the major world markets.

On governments' roles in the motor industry the report says that the American

Administration acts mainly as a legislator, Western European governments as owners, the Japanese as a promoter and the developing countries' rulers as initiators. It is through the Japanese Government's interest in its motor industry and continuously growing sales that it has produced a motor industry which is second only to the United States.

When considering British Leyland the report says that for the first time in the 1970s there are signs that the company is at last moving in the right direction.

It gives warning that there are substantial problems ahead—mainly in the volume car division of Austin Morris, whose ageing models are becoming uncompetitive—but applauds the switch back to individual model's names "since there is an unusually high degree of loyalty afforded to them."

Prospects for the company's commercial vehicle operations are also considered promising although Leyland Vehicles still has a lot of catching up to do.

The report expects the benefits of the recent large-scale investment to begin working through to the markets in the near future.

Worldwide Automotive Activity 1977 and Outlook 1978-9 by Arthur Woy and Richard Phillips. The Economic Intelligence Unit Ltd, Spencer House, 27 St James's Place, London SW1A 1NT. £30.

Cutlery industry chiefs to seek protection from rising imports

Leaders of the cutlery industry are to ask the Government on Thursday for protective action against imports, despite what is believed to be a veto from the EEC Commission on such action.

The industry faces a penetration of more than 90 per cent of the main stainless steel market by cheap Far East imports.

A delegation led by Sheffield City Council and including manufacturers' representatives from the Cutlery and Silver Association and the Federation of British Cutlery Manufacturers, together with trade union representatives, will ask for short-term protection as a matter of urgency.

Mr Michael Meacher, Under-Secretary of State for Trade, will be told that unless the Government honours an earlier undertaking to protect the industry its decline could be irreversible.

Councillor Clive Berg, chairman of the City Council's industrial development advisory committee, said yesterday that short-term action was needed to stem the import tide until a rescue package for the industry could be worked out in detail.

The industry is waiting for the results of a survey organized by the Department of Industry and carried out by the Cutlery and Allied Trades Research Association.

This investigation of the industry's plight, aimed par-



Mr Michael Meacher: will be told decline could be irreversible.

ticularly at assessing its investment needs, is near completion and the Government hopes to be able to set out its main conclusions by the end of August.

What is worrying the industry and the City Council are suggestions, so far unconfirmed, that informal approaches by the Government to the British Commission on the question of Community-wide controls on stainless cutlery imports have been rebuffed.

France and Italy, which have been operating tough import controls for some years, are believed to be against overall

Community controls because they fear these would be less harsh than their own controls.

On Thursday the delegation will also ask for a government undertaking to bring in a planned programme of aid under 1972 Industry Act. Local authorities should be able to give extra aid under the inner urban areas legislation.

But in these new negotiations with government the cutlery industry is still being dogged by the problem of its own internal disarray on the import question. The Cutlery and Silverware Association has urged import quotas that would ensure United Kingdom makers 50 per cent of the British market by volume.

The Federation of British Cutlery Manufacturers wants a reduction over five years to give imports only a 25 per cent market share, with a further seven years of protection at that level so that investment can revive.

There is a further complication because of the growing controversy over a number of British manufacturers which are importing stainless steel cutlery from abroad and stamping them as made in Sheffield. The City Council is considering whether to take up a test case under the Trade Descriptions Act as a way of dealing with the problem.

Derek Harris

More talks on airbus cooperation

By Kenneth Owen Technology Correspondent

Officials from the French and German members of the European Airbus Industrie consortium are visiting the United Kingdom this week for discussions with British Aerospace on possible collaboration on the B-10 version of the A-300 Airbus.

This follows the visit last week by Mr Eric Varley, Secretary of State for Industry, and senior British Aerospace management, to discuss the subject with government ministers in Paris and Bonn.

A British Aerospace spokesman said yesterday that the company was now in commercial negotiations with the consortium firms. He reaffirmed that as far as the company was concerned a collaborative deal with Europe would be preferable to collaboration with a United States company, a decision had yet been reached on the feasibility of collaborating with both Europe and the United States.

British Aerospace was now examining with the French and German companies whether a viable commercial deal could be concluded.

Last week Mr Joël le Theule, the French Minister for Transport, was reported as saying that British participation in the B-10 project would be dependent on an order for the aircraft from British Airways.

LETTERS TO THE EDITOR

The human factor in ship safety

From Mr C. P. Srivastava

Sir, The letter from Mr H. Stewart (Business News, July 13) concerning the recent IMCO conference on the training and certification of seafarers raised some extremely important points, notably in its emphasis on the need for crews to maintain close personal attention and not to rely unduly on the equipment which is now available.

This was a point which was frequently stressed during the conference, and it is perhaps significant that the convention which was adopted was entitled the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers.

Indeed, the whole emphasis of the conference was on the need for establishing minimum world-wide standards for crews serving on all types of ships, and ensuring that they operate ships and equipment properly. The implementation of the convention requirements and the observance of the many related recommendations adopted by the conference will not only raise the technical competence of the international seafaring community but will also raise the professional standards of bridge behaviour, to which Mr Stewart rightly attaches such great importance.

The development of an effective anti-stranding device suggested by Mr Stewart, would of course be a major step forward. But such a device would still have to be properly used, and the only way to ensure that this was done would be to make sure that the crew of the ship was of the highest possible standard.

No matter how sophisticated the equipment available on board today's ships might become, the safety of ships will ultimately still depend upon their crews. That is why IMCO regards the convention which was recently adopted as one of the most important so far devised in the organization's 20-year history.

Yours faithfully, C. P. SRIVASTAVA, Secretary-General, Inter-Governmental Maritime Consultative Organization, 101-104 Piccadilly, W1.

From Vice-Admiral Sir Ian McGeoch

Sir, An IMCO convention on the training of seafarers is surely to be warmly welcomed, and one must hope for its early ratification by all maritime nations. But Mr H. Stewart (July 13) is correct to warn that the variety and complexity of electronic aids in navigation now in use demand correspondingly strict adherence to well-established bridge practices—such as, for example, looking out of the bridge window to see where you are going.

In addition, the safe use of the latest devices (as in any field) requires the consistent application of standard procedures.

Marine radar and electronic navigation aids were developed originally to meet naval needs, under wartime pressures, in war conditions. The operational requirements were clearly specified and the designers and manufacturers met them. No such systematic process has governed postwar developments. In the absence of any equivalent to the firmly stated and precise naval "staff requirements" individual manufacturers have formed their own views on what was needed by the merchant navy, produced the equipment and taken it to the market.

In a highly competitive international trade, such as shipping, avoidable costs must be avoided in order to survive. Therefore, to earn its keep, equipment must enable your ship to operate better than other people's. The imposition of costs of legislation aimed at improving safety all round, which some states, companies or ships may not comply with, is to be resisted. Hence the Department of Trade's coolness towards technical innovation.

No doubt the experience of my company, paralleling that of Mr Stewart and his colleagues, may thus be explained. For we also have been refused government support.

The advent of the microprocessor and other recent electronic advances has enabled us to design a system *ab initio* to meet the operational require-

ments of the peacetime seafarer. The technical feasibility is in doubt. MIDA is called, offers those of vessels a single, reliable system capable of doing:

1. Rapid and position-fixing in waters.

2. Positive aid to avoidance, especially restricted visibility.

3. Rapid and certain establishment of *wh-loc* contact, for whatever reason between ship and ship and shore.

Our concept is to be an aid to, rather than a substitute for, the seafarer's standards in coping with the increasingly serious conditions of the sea. An IMCO convention would be welcomed by national flag states. But the British Government refuses to give a lead.

I need hardly add that the United States Government supporting the development of a system similar to the story has a familiar one.

Given any endorsement from the Department of the £65,000 needed to test and evaluate would be forthcoming private sector. As the project has been

Must we sit back yet another appalling sea before the Government gives a lead? The merchant fleet is the third largest in the world, and its safety depends upon seafarers for half our food and part of our raw materials, and timely movement of shipping, every paramount importance. It is high time that the Ministry Under Secretary for Companies, and Shipping took the last named of its duties.

Yours faithfully, IAN MCGEOCH, Chairman, MIDA (Systems) Ltd, 37 Bayley Street, Castle Hedingham, Halstead, Essex CO9 3DG, July 13.

PO profit: unfair contrast to British Steel

From Mr G. Cleverley

Sir, Your comment on the Post Office's profits—that they are "in sharp contrast to the huge loss of £443m for the British Steel Corporation"—is hardly fair on British Steel.

British Steel sells to a competitive and exceptionally price-sensitive market. The Post Office has a total monopoly in a growing market remarkable

for its indifference to price, and is currently luxuriating in the after-effects of its whopping price increases of a few years back.

If every British manufacturer were forced to buy from British Steel, and if its products made with British steel were allowed to be sold in British shops, and if the corporation ran down its production to just below the quantity and quality desired by

its customers, I suspect would find it rather make profits.

For that matter, British Rail if road were nationalized, cars were banned. Yours faithfully, GRAHAM CLEVERLEY, Goebenstrasse 1, 5 Köln 1, Germany, July 6.

EEC reexport of whisky costing Britain millions

Although whisky exports to the United States have this year been running about 25 per cent above last year and, even excluding the American market, total exports of Scotch to other world markets are 8 per cent better, the industry is faced with a serious situation in Europe, it was stated in Glasgow yesterday.

According to Mr Adam Burgess, a Glasgow distiller, millions of pounds are being lost to Britain in foreign revenue by European Economic Community countries re-exporting Scotch whisky to the rest of the world.

This enabled European middlemen to cream off some of the profits that rightly belonged to this country.

Mr Burgess, who is retiring as chairman of the Scotch Whisky Association Information and Development Committee, and is being succeeded by Mr Ian Combs, chairman of John Long Distilleries said western Europe was becoming increasingly important as a market for Scotch whisky.

Last year EEC countries took some 16 per cent of world Scotch whisky exports, which in the first six months of this year had risen to £293m.

ICI buying petrochemical plant in Louisiana

By Our Industrial Correspondent

Further expansions of its petrochemical interests in the United States was announced by ICI yesterday. Through its American company, ICI buys a chlor alkali plant at Baton Rouge, Louisiana, at present operated by Allied Chemical Corporation.

Neither Allied nor ICI would disclose the purchase price, although the assets involved amount to £36.8m and the acquisition will consolidate the British company's strength in the chlor alkali business.

Principal products from the Baton Rouge plant are caustic soda and chlorine, ethylene dichloride and vinyl chloride monomer, based on the primary raw materials of brine and ethylene.

Total VCM capacity of the plant is 136,000 tonnes a year, while chlor alkali capacity is 184,000 tonnes a year.

The move is an important one for ICI which has extensive worldwide interests in the business, and the acquisition will provide the company with a useful stake in the American market.

The company already has chlor alkali interest in Canada

and the first stage of its expansion in the petrochemicals business in North America was the establishment of a 37.5 per cent interest in a \$600m (about £310m) ethylene plant being constructed at Corpus Christi, Texas.

ICI is also planning an ethylene glycol plant in Texas and has financial interests in oil prospecting in the Gulf coast area and the Baltimore Canyon trough.

In another chemical industry transaction, the Norwegian company, the Norsk Hydro, confirmed yesterday that it was discussing the purchase of Continental Oil's 50 per cent interest in the United Kingdom company, Vinatex, which is jointly owned by Conoco and Stavley Chemicals.

The Norwegian company, which is a substantial producer of VCM, wants to buy a stake in Vinatex in order to secure markets for its VCM from which poly vinyl chloride is produced.

The Dutch company, DSM is also interested in acquiring Conoco's chemicals interest, but the company declined to comment on reports.

Conoco also has a 10 per cent interest in Stavley Chemicals.

Unions blockade tanker over crew pay rates

By Our Industrial Correspondent

Trade unions affiliated to the International Transport Workers Federation are blockading a Liberian-registered tanker at the Milford Haven oil terminal in support of demands that the owners pay its crew recommended rates laid down by the ITC.

The vessel is the Universe Sentinel of 263,000 tons deadweight which is operated by Universe Tankships, one of the subsidiary companies of the business empire controlled by Mr Daniel K. Ludwig, the American multi-millionaire.

The action is the latest in a series of blockades organized by unions affiliated to the ITC. Tankers who are members of the Transport and General Workers Union, have refused to move the vessel until the owners agree to pay minimum rates.

The Japanese-built tanker arrived at the terminal last Tuesday after causing concern for her safety and fears of another oil pollution disaster.

An RAF Hunter jet "buzzed" the tanker as she was manoeuvring in St Brides Bay. The pilot believed that the tanker was heading for dangerous rocks.

Coastguard authorities were alerted but it later emerged that the master of the vessel was looking for a safe anchorage because sea slides prevented entry to the terminal straight away.

The Universe Sentinel has discharged about 25,000 tons of her crude oil cargo and was due to sail to Zeebrugge.

According to the ITC, an attempt was made to persuade the owners to pay the rates up and a half years ago when another ship was blockaded.

This latest blockade is based on securing payment of a minimum rate of \$579 (about £300) a month for able-bodied seamen. The ITC claims the seamen are being paid about \$300 a month.

Low prices upset Argentine beef farmers

From Tony Emerson Buenos Aires

Argentina is the world's leading exporter of beef, and its responsible for 23 per cent of the international beef trade.

The intense competitiveness of the country's beef exports reflects the poor prices being paid to its cattle farmers, and they have taken a collective decision to switch to arable farming where possible.

As a result markets this year have been swamped with cattle for slaughter, depressing prices still further, and a record per-

centage of animals offered are females which would normally have a breeding career before them.

The proportion of cows, heifers and calves sold for slaughter peaked during other periods of liquidation of cattle stocks; had barely reached 50 per cent in the first quarter of this year reached 55 per cent. For the second and third quarters farmers' union sources estimate that they will exceed 60 per cent.

A record 4 million head were slaughtered in the first quarter of the year. Judging

by the entries into the Central Limiters cattle market, this record will have been beaten when the second quarter statistics are published.

These figures mean that by April next year the country's cattle stocks will have been reduced by one sixth to a period of 30 months, and that in 1980-81 beef production will only cover the tonnage now consumed at home.

The Argentine economy ministry is pleased that beef is plentiful and cheap since its chief worry for 1978 is inflation.

Business appointments

Lord Luke new chairman of Gateway Building Society

Lord Luke has become chairman of Gateway Building Society in succession to the late Mr Harold Bell. Mr Gladstone Moore becomes vice-chairman.

Mr Lewis Goodman is resigning from the board of Marks and Spencer on July 31 and will become a non-executive director of Vantona Group.

Mr Don Smith, a director of Sator and chair of the managing director of Milbury, is to become chairman of Orme Developments. Mr W. A. Longworth and Mr W. J. R. Shaw are to be directors.

Mr Takewill Kingawa has been elected president of Japan Line, succeeding Mr Hisao Matsunaga, who becomes chairman.

Mr Roger Wallhouse has joined the board of BOC Datasec as marketing director.

Mr Norman Reddaway, until recently British Ambassador to Poland, has joined the board of Catalyst International Inc.

Mr J. Taylor has been made deputy managing director of Westland Engineers. Mr R. L. Gillham becomes finance director and company secretary. Mr C. J. Cooper has been made vice-chairman.

Mr Graham Reineit and Mr Mike Dewar join the board of Heugstler Ffestiniog.

Mr Barrie Turner-Smith has become managing director of United Kingdom marketing and sales of the Times Corporation.

Mr P. N. Clancy has been made a director of Stag Furniture Holdings.

LONDON BOROUGH OF CAMDEN

Issue of £10,000,000 Variable Rate Redeemable Stock 1983 at 99 1/2 per cent

On behalf of the London Borough of Camden, Pender & Boyle point out that the Application Form for the above stock requires "payment in full at the rate of £100 per cent on the nominal amount applied for". This should read "payment in full at the rate of 99 1/2 per cent on the nominal amount applied for". If payment in full is made at £100 per cent the appropriate refund will be made to applicants.

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BY THE FINANCIAL EDITOR

Waiting for the vote on dividends

continuing weakness of the dollar and strength of gold (and sterling) provided main highlights in financial markets today. But equities, after a hesitant start, progressed too as the day wore on. FT 30 Share Index closed at its highest of the day, 477 points up at 483.9, with attracting most of the attention as biggest potential beneficiaries of the dividend rules.

Market is, of course, still waiting for result of the vote on the dividend bill. What happens if the Bill is an out-remains to be seen, but it must provide the basis for a voluntary—presumably with the threat of sanctions lurking in the background.

Meanwhile, in the gilt market the action of the long run raises the price of bow soon the authorities push a new stock. The implication of the Bank's annual report, issued yesterday, seems to be that the authorities are then happy with the way monetary has been contained over the first half of the new financial year. But we are moving into the second quarter, and off with a medium-term cap for the year is, at present, anywhere, and from the banking sector and the gilt societies. That may not change in any other, so the authorities will have to look to longer-term funds for gilt sales.

oke Bond Liebig

adening the graphical spread

g described North America as the target for its long-mounted acquisitive. Brooke Bond Liebig caused some surprise yesterday with its plan to pay £20.5m control of Australian tea group, the Brooke Bond, however, has been py for some time with the limited afforded by its 20 per cent stake in its main trading subsidiary, and decided that the opportunity to take the whole group was too good to miss. Group's financial strength is such that States acquisition plans will not be red. Gearing at the last balance sheet was around 36 per cent and liquid assets of around £40m will have increased materially in the current year as a result of decline in tea prices and the additional release from stock sales. Meanwhile, the Australian move helps deflect criticisms about the group's financial spread, in particular its exposure to sensitive political areas in Africa and Asia, although it does nothing to the long-term fears about its dependence on commodities.

The year just ended Brooke Bond's will have fallen sharply from the £50m achieved at the peak of the tea boom. But with tea prices seemingly rising now, at around twice the pre-levels the net effect has been to lift group from its earlier profits plateau around £20m to something over £40m. Shares, however, are likely to remain dead until the diversification programme is clearer, although, at 45p, after rise yesterday, the shares are solidly pinned by a prospective p/e ratio of 15 under 6 and a yield of more than 8 per cent.

an Property

creditors w patience

a Property Trust has spent the year its original Scheme of Arrangement adding its creditors to accept an elaborate plan which actually offers some of the company's 10,000 shareholders. First scheme kept the company afloat off its portfolio and pay off debts of over £26m to creditors who include Inland Revenue, Kleinwort, Benson, and Westminster and Barclays.

A new plan involves pushing almost all assets and debts into two subsidiaries. The plan has four years to complete. The banks will pay a management fee to the parent, which as a shareholder

will not have to take in any losses, though it could take profits—an unlikely event as the portfolio is shown in the consolidated balance sheet at £20.4m, but would probably only fetch £10m if it were sold today.

Liquidation would have left creditors with less than 50p in the pound and shareholders with nothing. This offers creditors the possibility of the recovery of all their principle and shareholders with asset backing of something under 1p per share—compared to a market price of 6p—and hope of some earnings growth. For the creditors the evident risk is that, having bled off the burden from the main company, Raglan's incentive to achieve the best terms for its portfolio is correspondingly reduced.

Taking that into account, Raglan must emerge with credit for winning for shareholders any alternative, however small, to liquidation, which would have left them with nothing—not even a quotation.

There has been a small but perceptible change of strategy at Rncl, whose chairman is Mr Ernest Harrison (above), over the last couple of years. Prior to the Milgo takeover early in 1977 Rncl had only been in the acquisition field in any significant way once before. That was for the purchase of Conrols and Communication back in 1969 which brought the Clansman business into the group and which the annual report again pinpoints as one of its most successful ranges with orders now topping £100m.

Over the last year Rncl has been limbering up even more in the takeover front with the two smallest acquisitions in the United States bolstering its growing position in the world's largest market. And with Rncl itself already warning that its amazing profits record in the 1970s, built almost entirely on internal growth, must slow down it is clear that the group is having to look more and more at acquisitions to maintain the momentum.

For the present, however, there seems little doubt that the balance sheet can take this strain.

Cash flow last year jumped from £21m to £35m and with dividend restraint limiting shareholders' rewards the group was able to pump back some £24m into the business even after conservatively writing off another £15m of goodwill to leave only £7m of this intangible in the balance sheet against £20m a year before.

Borrowings have crept up slightly but are still only just over 50 per cent of shareholders' funds. All of which gives the group as much room for manoeuvre as it wants should it decide to expand in the United States further.

The Post Office

A further cash surplus

The Post Office has been making a supplementary depreciation charge in its accounts—without a parallel gearing adjustment—since 1946, and has only now found itself in the middle of the Price Commission-inspired debate about whether nationalised industries, like any other companies, should make a claw-back to profit to account for the decline in the real cost of repaying loans.

In the Post Office's case there is only £13m of public dividend capital (all in Gilt), and while reserves have been growing debt still accounts for 58 per cent of £6.88m of capital employed. But the Post Office believes the Price Commission's argument is fundamentally wrong, on the ground that the point of a gearing adjustment is the distinction it draws between the owners and the external creditors of a business, and that for a nationalised industry these are one and the same—the Government.

The fact is, however, that on a pure historic cost basis the Post Office's profits would have come out at £718m rather than £368m, disregarding the supplementary depreciation charge of £350m, and the effect has been sufficient to leave the Post Office again in cash surplus. Thus internally generated funds of £1,108m were more than enough to fund investment of £870m and an increase in working capital of £56m, and the Post Office was able both to repay loans of £50m and to build up its cash resources by £120m.

The Post Office has undoubtedly turned the financial corner. The extent of the recovery—three years of profits culminating in a massive £368m in 1977-1978—is almost embarrassing for an organisation which until recently was running up enormous losses.

Although he is not like his predecessor last year, having to hand out rebates to telephone subscribers, Sir William Barlow who took over as chairman last November has agreed with the Government a cost-cutting formula for telecommunications.

As a result of this, the real unit cost of telephone services will be cut by 5 per cent a year until 1983, so charges will depend on the future rate of inflation.

For a business of the size of the Post Office to turn the deficit of £30m for the year ending March 1975 into a profit of over £367m in three years is no mean feat.

Much less praiseworthy is the Post Office's recent track record of the quality of service it gives to its customers.

A prime aim of the Post Office must be the quality of its service. This was explicitly stated as a top priority by the Government in last week's White Paper on the corporation. It was the apparent decline in standards as much as the sharp increase in tariffs which permeated the thinking of the review committee chaired by Professor (now Sir) Charles Carter, whose report, published last year, was answered by the Government in the White Paper.

Sir William Barlow gives a personal commitment to the improvement of service and in his first annual statement as chairman. Yet the measurement of service occupies a minuscule proportion of his report compared with statistics dealing with the balance sheet. It can be said fairly that a document containing the annual report and accounts ought properly to concentrate on financial matters. But if this is the case, some other mechanism is needed to communicate service targets against which progress can be publicly measured.

Both government and the Post Office recognize the need to improve the information generally available to customers. Key national and regional statistics on telecommunications service performance are to be published quarterly. These are to be reviewed regularly in consultation with the Post Office Users' National Council which in turn is to be given more resources to carry out its duty as a watchdog.

The measurement of telephone call successes and failures is being computerized. When this is completed in about 1982 it will improve the information available for all purposes. Meanwhile, starting this year, booklets showing national and regional results on an annual basis are to be made available to customers. Regions will also produce booklets showing local performance.

A further measure to make the telecommunications side of the Post Office more readily accessible to existing customers and attract new ones is the opening of telephone show-

Quality of service—a top priority for the Post Office



Sir William Barlow, chairman of the Post Office yesterday: a personal commitment to the improvement of service and relationship with customers.

rooms. The showrooms will be located in the principal shopping areas with the first ones opening this year. Over 50 showrooms are planned to be in operation by 1980.

On posts, where it was reported a slight increase in volume of traffic against a previous declining trend, the Post Office has completed a research programme which it believes is more thorough than any similar exercise carried out by other postal administrations.

Using this as a basis, it is undertaking more detailed research into each market sector with particular emphasis on the needs of small traders. (One of the review committee's criticisms was that seemed to be a tendency to concentrate on the big customers). Expenditure on research in the present financial year, it says, is nearly double last year's and will involve extensive use of professional consultants.

To oversee the improvements, the Post Office has set up a special committee of non-executive board members which includes two representatives with experience of consumer affairs.

The committee will study the quality of customer service by both the postal and telecommunications sides of the business. This will include an assessment of the validity of present statistical and sampling methods. The committee will also aim to provide a separate evaluation of performance and to identify the areas where improvements should be made.

Service indices are also being built into the monitoring and accounting procedures being applied further down the management chain as part of the new policy of devolution alongside those dealing with operation and performance.

In particular, the Post Office is examining the question of international comparisons. One of the concerns of the review committee was that efficiency in the British telecommunications service appeared to compare unfavourably with some of the highest standards attained overseas.

These indices will be circulated regularly internally to various levels of management within the Post Office. More of them may also be included

in the regular reports sent by the Post Office to the Department of Industry.

In addition the corporation states in an annex to the White Paper that some of the more important aims and indices will be featured in the annual report and accounts.

So, despite the impression given by Sir William, in presenting the annual report yesterday, that measurement of quality of service was an ancillary in the main annual accounting exercise, the Post Office is apparently taking the improvements in its service yardsticks extremely seriously.

But will the service to customers get lost among the welter of organizational changes which are taking place within the Post Office?

Unlike his predecessor, Sir William Ryland, who retired after 45 years' service with the Post Office, Sir William Barlow has had a solid background in the private industrial sector. His experience, culminating in the chairmanship of Raesome Hoffmann Pollard will have left him more used to measuring performance through profits than through quality of service. One of his first actions on taking up office last November was to initiate a policy of giving managers much greater freedom of action over a wide range of activities than they had ever enjoyed (or suffered) before. In this he answered the misgivings of the review committee about what they regarded as the markedly centralized style of management in the Post Office.

One of the results of devolution is that head postmasters and other local managers will be given new criteria, of which financial performance will undoubtedly be one.

Since financial performance is also the most easily measured and understood criterion, there is a risk that unless there is strong emphasis on the other aspects of performance, yet more corners could be cut at local level where it hurts most solely in the interests of profitability.

Patricia Tisdall

Vauxhall: a return to hard times?



Mr Bob Price, chairman of Vauxhall, asserts enough to realize that the sky was the limit for the man who could end Vauxhall's troubles.

hopes of recovery. In the next 20 months he cut the payroll by 6,800 jobs to 27,400—the lowest for 12 years.

No less than 12 major problems were identified and joint management—shopfloor task forces appointed to tackle each of them. The "grass parade" was introduced with cars being snatched from the assembly line and stationed in front of the plant for detailed inspection by every department.

At that time Vauxhall had two basic car lines, the Viva-Magnam and the Victor-Ventura series. They were long in the tooth and together only covered 50 per cent of the available British market. While the stronger Bedford side was holding some 18 to 20 per cent of the commercial vehicle market, cars had fallen from 12 per cent to 6 per cent and all

the indications pointed to a further drop.

Facilities were rushed through as a temporary measure but it was not until mid-1975 that the new light car, the Chevette, went into production. It was an immediate success and three further versions followed during the next eight months.

Another Cavalier, again based on an existing Opel design, followed soon afterwards giving Vauxhall a contender in the sector dominated by Ford's Cortina. By 1976 this sector was accounting for some 30 per cent of the total United Kingdom market. Unfortunately, from a British point of view, the new arrival was imported from GM's Antwerp plant.

Mr Price says the need for a contender in this very important sector—the heart of the profitable fleet sales business—was so pressing that he had no alternative.

In August, 1977—under pressure from the British Government—he introduced a Cavalier assembly line at Luton and headed for a year-end goal of approaching the record 1.7 million units of five years ago.

It is not overstating the case to say that the Chevette and Cavalier transformed Vauxhall's image and at the same time enabled it to cover 80 per cent of the market.

More new models, again Opel based, will extend Vauxhall's coverage still further when they are launched later this year. To cope with returning confidence among buyers Mr Price increased production by introducing second shifts at Ellesmere Port last winter and at Luton in April. Another 3,800 workers were recruited for these extra shifts.

In the first six months of this year car sales increased by 26 per cent and trucks by 20 per cent enabling Mr Price to announce last week a net profit

of £4.3m for the first half—the best achieved even in a full year since 1968.

But behind this encouraging picture there is growing concern, a concern which was making itself felt before Ellesmere Port ran into trouble. The introduction of second shift working in the motor industry is traditionally fraught with danger. Overheads which have been pared to the bone through lean times shoot up when additional labour is recruited. It can take up to six months before a green labour force is capable of meeting production targets.

This is exactly what has happened at Vauxhall. Before the extra shifts were introduced it was producing 40 cars an hour at Luton. This immediately fell to 23 and three months later is still climbing back towards 40 much too slowly for comfort.

The result is that with overheads climbing on the one hand and production lagging behind targets on the other Vauxhall is again in a vulnerable position. These risks were known and accepted by Mr Price but with the British car market heading for a year-end goal approaching the record 1.7 million units of five years ago it was a gamble he had to take.

But the danger he could not cater for, but nevertheless feared, has now reared its ugly head—a serious strike.

Like all the worst confrontations in the motor industry it began with a walkout by a small number of employees, in this case 100 drivers who ferry components from one Vauxhall plant to another. As soon as these members of the Transport and General Workers' Union mounted pickets the remaining 3,000 T & G members in the plant refused to cross their picket lines. As these are the men who man the assembly tracks, production of the Chevette was immediately halted.

Attempts to settle the men's

claim for a shorter working week have all failed despite top-level talks between management and T & G leaders.

On Friday the strikers voted not to meet again until after the plant's annual three weeks holiday ends on August 14. Management replied by laying off 4,000 members of the Amalgamated Union of Engineering Workers.

And that is where the Ellesmere strike becomes so serious. These are the men who normally produce engines and transmissions for cars and light commercial vehicles assembled at Luton and Dunstable.

The effects of the resulting component shortage were already being felt at both plants before they shut for holidays last Friday. Although the AUEW men remained at work when the T & G walked out a fortnight ago, the transport pickets had effectively sealed Ellesmere Port. Engines and transmissions intended for Luton and Dunstable had to go straight into storage.

And there they will remain until the dispute is settled. If Mr Price and his team were entertaining any ideas about moving them during the holiday shutdown these were soon dispelled when pickets resumed station outside the silent plant yesterday.

Every manufacturer selling on the British market has been pushing his factories for maximum output in the past three months to build stocks for an anticipated record August.

Vauxhall should have sufficient stocks already in hand. But demand of this magnitude will leave its dealers bare if Ellesmere remains shut after the holidays and that could mean cash flow problems and a return to hard times for Mr Price and his 32,000 employees.

Clifford Webb

Business Diary: Kindly leave the stage

Leigh-Pemberton, chairman of the National Westminster Bank and of the Mental Appeal, has sanctioned release of "Bankers at 30 LP by the NatWest Bank. Approximately 100,000 copies of the record will go to the appeal. Dankworth, the jazz band, and composer, says of record: "The band plays a spirit and a sense of which many professional groups with this style do well to emulate."

Yes, yes, Mr Bulstrode, personnel director fished somewhere deep in the bowels of the footlights, I'll tell you know."

strophe shrugged, and with despairing peer into the where his agent might be, he slunk towards the stage. As if in sympathy, the band trailed along behind him, their desolate plunk as it humped over the stage.

He knew, the personnel or knew, even the stage eeper, Bulstrode felt, knew he had failed the audition. job at head office would be his, not this year, if

Frisby! All rapid smile, flashy banjo technique and duff degree! Degree, ah! However duff, there was the rub. Since he was 16 Bulstrode had stood all day well not quite all day (and never Saturday) behind counters winking out change of a ten bob note to barmy old spinners in twin sets, and weighing out silver to market traders who smelt of garlic even though they never ate any.

Frisby, meanwhile, had loafed his way until all hours, strolling the banjo and ogling the birds until all hours. No early morning starts for him.

Rubbish, that's what Frisby's banjo playing was. But it was these Johnny one-chorde who got the promotion nowadays, the young at their own teeth, the practised handstand leers. Ugh!

If that's what the customers want these days, so be it, Bulstrode muttered.

Glancing at his watch, he decided to take a later train. Surrendering completely to the artist within he slid promptly into the El Naughty Stripperama. There, he'd been told, they played really hot barrel-house piano.

"I know, I know, Sam", said the bank's personnel director, fiddling impatiently with his clipboard.

"Look, I have 12 men and three women, all managers, all with their bankers' banjo diploma, and you know what? They all sound the same. Bulstrode included—except for young Frisby, that is."

"There may be somebody better auditioning after lunch, I don't know. But I do know there'll be plenty sounding just like Bulstrode."

Sam looked down at his scuffed suede shoes. He and Louise knew Louise was right.

"Look, Sam", said the personnel manager, an unaccustomed note of resignation tempered with sympathy in his cigar-stained voice. "We, Midlands, that is, are a multi-media bank, know what I mean?"

"Once you're one of the big four banks, you sit around and the posters, they come to you. They put money in, they take money out, it still costs them."

You lend it to people who don't need it, and the ones who do, you tell to get lost. Hey presto, you're rich."

Louise was warning to his theme but still he reflected how the sequins on his tuxedo were the same plum colour as Sam's vinous nose. I'm aruncular, he's caruncular, he's mused.

"Rich", he continued, "that is, if you're in the big four. Time was we were number five—or was it 15, might as well have been 35."

Here Louise fiddled in his pockets until, lo! a cigar and a lighted match appeared in Sam's hand as if he'd been in conjuring in his performing days—which he was.

NatWest he explained, as if Sam didn't know it already, had begun it with their jazz record. Then Lloyds had a best seller with their disco double album. But then Colliers, a single recorded by Midlays own punk rockers, had raced to the top after slow start.

There were puns in the street, as distraught girls sought to open accounts in which their dole money could briefly nestle in tribute to the Nerks. The new chequebooks printed upon coloured photographs of the group were snapped up as soon as they were the Save-as-you-listen juke boxes in every branch.

The Nerks, four pimply trainees from Barclays had been hurriedly trained and had played once their record took off. Within days of leaving the recording studio they'd been dismissed, after an incident in which their deputy manager was razored.

"...and so, Sam", said Louise, looking over the agent's shoulder towards where they seemed to be having a little trouble with the mikes on stage, "while we have the Nerks, the bank still needs a balanced portfolio of acts. The jazz band will over sell a million but it has a public, and we need replacement banjo at head office—now."

"Frankly, as a banjo-player, Bulstrode makes a great banker."

Sam shrugged and went in search of his client.

Bulstrode dragged himself to his feet, wherever they were. He cursed with all the sincerity and the inextinguishable of the sincerely drunk.

It was near midnight and he had blundered into a deserted newsstand outside Waterloo. He didn't notice the placards today 80 per cent of Cavaliers sold in Britain are domestic products.

Oh my God, thought Bulstrode, his befuddled brain driven by a single sober thought.

He had forgotten to take off his end-of-the-pier minstrel make-up.

Increased market share... vehicle sales up 34%. Group profit at a record £3,276m.

...says ERF's Chairman and Managing Director, Mr. Peter Foden.

Results at a glance

	1978	1977	Per Cent Change
TURNOVER	£000's	£000's	
PROFIT BEFORE TAXATION	56,306	38,423	+46.5%
EARNINGS PER ORDINARY SHARE	3.276	1.701	+92.6%
TOTAL DIVIDEND	45.52P	19.06P	+138.8%
	2.75P*	2.18462P	+25.9%

* Dependent on new dividend restraint legislation being introduced.



Whilst the U.K. market for commercial vehicles continues to be reasonably buoyant, general world trading conditions continue to be in various degrees of recession. We believe our immediate role must be to concentrate on import substitution...

...the Company are embarking on a programme of planned product improvement and additional capacity.

Extracts from the Chairman's Statement to the Shareholders, 1978.

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FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Strong index rise despite slack trading

Shares may have reached their best levels for over two months but dealers reported little business in the equity market yesterday.

The Government's almost certain defeat on its dividend Control Bill brought some buyers into the market while a strong performance by gilts, where the long "tap" was exhausted, gave equities an added boost.

By the close of the first day of the new account for the FT Ordinary share index, having dipped 1.4 initially, had climbed 4.7 to 483.9, its best level of the session.

Forthcoming annual figures from J. Jarvis, the builder and property company, should show profits growth of a fifth or so. The last accounts showed Imperial Group, Percy Dilton and Prudential Assurance all holding stakes of around 8 per cent apiece. Jarvis is also strong in cash. The shares are 170p.

However dealers are far from euphoric about the rise which they anticipate being maintained. Stores and breweries may have benefited from the upturn in consumer demand and hopes of dividend hikes but some market men feel that the strength of the pound, which must be giving exporters a rough ride, could turn the market back by the end of the week.

By contrast, sentiment in the gilt market is more encouraging. The better starting dollar exchange rate helped the shorter-dated securities which were five eighths up at one stage, and close, in reasonable

trading, just off the top with rises of around half a point.

At the longer-end, buying, though not so brisk, was just as encouraging.

The Government Broker was able to sell the remainder of the Exchequer 12 per cent 2013-17, issued on June 15, and dealers report genuine interest in most stocks. With the pressure easing on the economic fundamentals and the run up to an election likely to post-pone labour problems, some expect stocks at this end to hold up over the summer months.

Longs ended generally some three eighths better and yields are now on offer at the 13 per cent level.

Equities leader stocks showed useful gains with BATS climbing 8p to 325p, GEC at 275p, Becton & Dickinson 3p and Courtaulds at 121p, and Boots at 212p firming 2p.

Unilever, with its large overseas interests not excluded from dividend controls, shed some 6p at the outset but by the close had rallied to end with a gain of 2p at 530p.

In engineering index stock John Brown rose 8p to 418p while GKN firmed a penny to 267p. Last week's trading news added a further 7p to Dowry group at 245p but the news was not so good for Siebe Gorman where near static profits left the shares 2p lower at 182p.

In a firm commodities sector Gill & Duffus went 7p higher to 146p and Bonker McConnell spurted 12p to 247p.

Stores sparked on thoughts that the sector has more leeway than most to improve the dividend payment and among those to go better were Marks & Spencer at 176p, Mothercare at 178p, W. H. Smith at 154p and Freemans at 334p. Interim

figures from Ladies Pride left the shares unmoved at 63p.

Trading news from Neepsend clipped 1p from the equity at 441p while Jameson's Chocolates lost 3p to 71p and Graig Shipping eased 5p to 135p. Elsewhere in shipping takeover favourite Furness Withy shot up 15p to 245p.

Another bright spot yesterday was Vintners which rose 14p to 138p. Recent good figures have helped the shares lately but there is speculation that some potential bidder may be looking at the group.

As the pride of the bullion edged nearer the magical £200 level, gold shares were wanted both in London and New York. Randfontein at 236p, American Gold at 181.3p, Van Rensselaer at 113p and West Driestfontein at 122.19p all went better while the margins also improved with

Libanon firming 13p to 362p and Harmony edging up to 415p.

In breweries Allied at 85p, Bass Charrington at 161p, Guinness at 165p Whitehead at 95p and Scottish & Newcastle at 65p improved by up to 3p.

Pearson Longman returned from its 1974 suspension to close 51p higher at 245p following an agreed minority offer from S. Pearson, up 1p to 21p.

Speculation that Thomas Tilling will bid again for Furness continues to underpin the shares at 61p, slightly above the Associated Engineering agreed offer of around 50p. To keep its options open Tilling extended its 7p offer but last night group managing director Mr P. M. Mennet said: "We have no more than the directors were watching the situation."

Neepsend slows in second half but sales reach £22m

By Peter Wainwright

The news from the Sheffield special steels and tools industry is still grim. Yesterday it was the turn of Neepsend to report that profits in the year to March 31 last marked time at £10.5m after the interim jump from £349,000 to £655,000, and indications last February of decent profits for the full year. Sales rose from £18.5m to £22m.

At the end of June, Edgar Allen, Balfour demonstrated the hard times in the industry by turning in profits of £2.8m compared with the £3.3m plus expected by the board earlier on.

In this light Neepsend could have done worse. Indeed Mr Stanley Speight, chairman, says that most companies in the steel and tool industry are still doing well. However, the steel recession continued and so did dumping into the United Kingdom market.

It looks too as if Neepsend is on the turn. The chairman speaks of "victorious steps" in steel. Elsewhere the group is still doing well. The group is strong in cutting tools, which are prospering.



Mr Stanley Speight, chairman of Neepsend.

The ordinary dividend rises from the usual maximum to 4.8p gross. The board intends this as a gesture of confidence, and it must be taken as such by

cause the directors have 1 disappointed their hopes time round, and cover for latest payment is still denied absorbs £438,000 after tax profits of £520,000.

The indications are Neepsend could be aiming profits of a round £2m. If this aim is fulfilled group would beat the £1.99m of profits made in '73.

The group plans to do this by pushing its steel and tool production where it was ahead last year. It is quietly working down in special steels the climate continues a grim.

Shareholders are also to see a new valuation of the group. The board has taken to the balance sheet the shares rose to 48p the figures were known slipped to 44p, down 12p them. The yield is now 5 per cent, which has appeal. One of the group's investments in Ram engineering which could be sorbed one day.

Latest results

Company	Sales	Profits	Earnings	Div	For	Year's
or Fin	£m	£m	per share	pence	date	total
AAB (F)	246.0 (216.7)	6.31 (5.4)	14.02 (13.55)	3.39 (6.0)	9.10	6.14 (5.5)
Graig Shipping (F)	—	0.53 (0.13)	—	4.0 (11.4)	16.9	8.0 (16.9)
Greenbank Tst (F)	—	0.02 (0.02)	—	Nil (Nil)	—	—
Greenbank Invest (F)	—	0.13 (0.13)	—	0.06 (0.72)	—	—
Independent Invest (F)	—	0.07 (0.07)	—	—	—	—
Jameson's Choc (F)	3.11 (2.9)	0.15 (0.26)	2.9 (4.9)	0.87 (0.64)	—	—
Ladies Pride (F)	3.12 (2.7)	0.45 (0.41)	3.8 (3.5)	0.95 (0.7)	2.10	—
Leda Invest (F)	—	0.13 (0.12)	1.4 (1.2)	1.13 (0.9)	31.8	—
Lorax Corp (F)	—	4.46 (6.46)	54.0 (78.0)	—	—	—
Neepsend (F)	21.7 (18.5)	1.04 (1.03)	2.3 (2.0)	2.3 (2.0)	—	3.2 (2.9)
Pendland Invest (F)	2.9 (3.2)	0.23 (0.08)	—	Nil (Nil)	—	—
Portair (F)	—	1.40 (1.08)	—	—	—	—
Raglan Prop (F)	—	0.23 (0.08)	—	—	—	—
Siebe Gorman (F)	42.5 (36.3)	4.4 (4.0)	28.1 (25.2)	3.4 (3.0)	—	5.6 (5.0)
UIC Trestle (F)	—	0.81 (0.81)	24.1 (15.7)	—	14.9	—
Ward & Goldstone (F)	59.9 (56.9)	3.3 (4.1)	—	3.6 (—)	—	4.5 (4.0)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.49. Profits are shown pre-tax and earnings are net. a Gross, b Loss, c Rand and cents, d 5 and cents, e Net earnings.

Gerling-Konzern in Flick discussions

Representatives from Gerling-Konzern Versicherungs-Beteiligungs AG and the Friedrich Flick group will meet for discussion next month on an objection to a Cologne Court about a transfer of Gerling shares.

The objection was handed to the Cologne Regional Court by Herr Hans Gerling, who holds 49 per cent of the Gerling-Konzern share capital, and relates to the transfer of Gerling shares to the Versicherungs-Beteiligungs AG, the Gerling group said in Cologne. Herr Gerling based his objection on his right according to contract to sell in advance it said.

Babcock AG sees a reasonable outturn

Deutsche Babcock AG expects "satisfactory" profits this year on higher turnover and increased total output—the board said in a shareholders letter.

It said business in the first three quarters of the year to September was comparatively satisfactory, with weak domestic demand but on the export side it registered important sales for complete plant units.

Turnover fell, for accounting reasons, to Om1,920m from Om2,00m in the nine months ended June, while order volume was Om3,650m against Om3,630m a year ago, it said.—Reuters

Intl Harvester plans record capital spending

International Harvester says that it has increased its capital appropriation plan for 1978 by \$82.2m to a record \$306m. It expects to generate the additional capital through international sources and it will use the funds for plant modernization and manufacturing improvement covering 28 major projects in plants worldwide.

The new projects will support International Harvester's programme to increase plant utilization by bringing into its own plants production of parts previously purchased outside the corporation. So far this year more than \$30m in parts have been designated for shift from outside suppliers to International Harvester production.

New-look Change Wares in £1m turnround

By Michael Clark

A strong upsurge in sales has enabled Change Wares to return to the black and the board states that the group is now "well set to comfortably exceed its annual forecast of £480,000."

Figures of the metal, wire working, finishing and shop fitting group, for the six months to June 30, show a turnround of £1.26m into pre-tax profits of £280,000. This was achieved on turnover more than doubled at £480,000.

The directors have declared an interim dividend of 0.25p gross compared with 0.59p last year. This is in addition to the payment of 0.89p on the participating preferred shares. The shares moved ahead 1p to 22p yesterday.

Commenting on the figures Mr Geoffrey Rose, chairman, the "company doctor" with substantial American backing, said that the improvement had been across the board.

The strongest improvement came from the domestic appliances division which made a contribution of about 25 per cent to overall group profits.

In the meantime the wire working and shop fitting divisions have benefited from the introduction of certain new products, the reduction of overheads and a general improvement in orders.

Stockwell, the group's most recent acquisition, which contributed about 50 per cent of group profits, is continuing ahead of budget.

Siebe Gorman keeps up its steady growth with 10pc advance

Siebe Gorman, the fire fighting, underwater, safety and security group, has announced a steady profit increase. In the year to April 1 profits rose from £4.05m to £4.5m, a 10 per cent increase. Turnover rose by 11 per cent from £36.5m to £42.5m.

Associated companies' contribution fell from £406,000 to £349,000 and the tax charge, with both years adjusted for ED 19, rose from £1.4m to £1.6m to leave attributable profits up from £2.6m to £2.9m.

Earnings per share were up from 25.2p to 28.1p and the final dividend is 5.11p gross making a total of 8.4p against 7.54p last year. The shares at 182p, down 2p yesterday, thus yield 4.6 per cent.

Results of Graig Shipping for year to March 31 show after loan interest a trading loss of £533,861 against last year's profit before depreciation of £139,649 to which must be added a charge for ships depreciation of £936,733 (£782,301).

The group has entered into an agreement for the sale of the motor vessel Graigaur in August 1978. The written down book value of this vessel at the date of the sale will be £3.6m. The estimated cash proceeds from the sale will amount to \$4.4m and provision for the anticipated loss on the sale has been made in the accounts for March 31, giving a net charge after related tax of £620,902. This loss has been transferred to the group's capital reserve.

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Merseyside and Trustee Savings Bank has announced a new regional bank called the Trustee Savings Bank North West, with from November 21. For the new bank will be £570m. It will also have a new chairman, representing a ratio of one to five covered (almost six people) of about one to five. The chairman of the new bank will be Mr W. Appleby, present chairman of the of mid-Lancashire and Merseyside.

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Stepping Stones—Non-Secretarial—Secretarial—Temporary & Part Time Vacancies—

INTERVIEWERS

Experienced interviewers needed (one for Specialist Machine Division) for City Employment Agency, who have doubled their growth within the past year and will do so, again, within the next.

If you are 25+ with at least 2 years' experience of agency perm interviewing and would enjoy rewards of average earnings £6,000+ per annum (high basic and commission), please telephone Mrs. Randal on 248 6743 for an appointment

MAYFAIR

Luxury Chairman's office requires Receptionist and Secretary. Receptionist: friendly, efficient, well educated and personable and able to work alone. Secretary: friendly, efficient, well educated and personable and able to work alone. Apply in writing stating full details of career to date to: Box 1867 R, The Times

FILM PRODUCTION COMPANY

W.1. requires young, lively, attractive, well educated and personable receptionist and secretary. Apply in writing stating full details of career to date to: Box 1867 R, The Times

USA SHOP ASSISTANTS BUT WITH A DIFFERENCE

The difference being that your shop will not be on dry land, but will be in a tropical island. You will be working in a tropical island. Apply in writing stating full details of career to date to: Box 1867 R, The Times

PERSONNEL—Sainsbury's. Retail recruitment. Office: £5,000 p.a. Also part-time. Apply in writing stating full details of career to date to: Box 1867 R, The Times

ADMINISTRATIVE OFFICER

Personnel Officer of National Charity, West End, requires person to assist on personnel and salary records, recruitment, advertising, secretarial back-up, etc. £3,500-£4,500 p.a. Scale. Stella Fisher Bureau (Agy.), 110 Strand, W.C.2. 836 6644

RECEPTIONIST

ESTATE AGENTS/CITY UP TO £3,500

require smart, well-spoken receptionist with good telephone skills. Apply in writing stating full details of career to date to: Box 1867 R, The Times

ASSISTANT

required by ROBERT YOUNG ANTIQUES

5 day week Telephone 228 7847

OOLEIN SQUARE SAUNA

Senior receptionist for this long established and successful sauna. Apply in writing stating full details of career to date to: Box 1867 R, The Times

SECRETARIAL

Harley Street. Medical secretarial. £1,500-£2,500 p.a. Apply in writing stating full details of career to date to: Box 1867 R, The Times

What's so common about sense?

We need three experienced secretaries—with uncommon sense—for the Development Finance, and District Management Departments of our busy general hospital in West London. Good shorthand-typists with a flair for organizing meetings and liaising with other hospital personnel would find the work stimulating and agreeable. Hours 9 am-5 pm, Monday to Friday. Salary scale £3,200-£3,800 (incl), but may be higher for exceptional candidates. Please contact Vicki Green (Personnel) ext. 667 or 656 Central Middlesex Hospital, Acton Lane, London NW10 7NS. Tel.: 01-965 5733

Secretary to Director of FASHION MAGAZINES

BLOOMSBURY AREA

Experience, common sense and good shorthand-typing are essential for this important position which is probably one of the most interesting and challenging in the industry. First-class working conditions, with IBM Executive Typewriter and salary, negotiable according to experience, is offered. Please phone Mr. K. A. Menon on 01-637 2211

CHelsea COLLEGE

University of London

DRUG CONTROL AND TEACHING CENTRE

An intelligent and responsible secretarial position is required for the unit of drug control. The unit is a small, busy unit, and the secretarial position is a very important one. The salary is £3,500 p.a. plus benefits. Please apply in writing to: Chelsea College, University of London, 100 Chelsea Lane, London SW3 3LN. Tel.: 01-874 6111

MAJOR TEXTILE GROUP, W.1.

Textile Group, W.1. requires a secretarial position. The position is a very important one, and the salary is £3,500 p.a. plus benefits. Please apply in writing to: Major Textile Group, W.1. Tel.: 01-874 6111

Incorporated Society of Valuers and Auctioneers SW1

Secretary/Personal Assistant

Secretary/Personal Assistant required by the Secretary. The successful applicant is likely to be not less than 35 years of age and a responsible person with good secretarial skills and an agreeable personality, able to participate effectively and be flexible with the work of a small professional office. Commencing salary not less than £3,750 with L.V.S. at 50p. Own office and generous fringe facilities. Please apply in writing to: The Secretary, 3 Cadogan Gate, S.W.1 not later than Tuesday, 8th August.

Kenwood

SECRETARY/RECEPTIONIST

Competent in dealing with the public, experienced and over 21 for that with W2 office. Salary negotiable. Tel.: 01-402 3141

£3,500+

and your own office

for Secretary to work with the company secretary of a large, successful company. Should have good shorthand-typing and be able to deal with the public. Salary £3,500+ p.a. plus benefits. Please apply in writing to: Kenwood, 100 Chelsea Lane, London SW3 3LN. Tel.: 01-874 6111

FOOD FROM FRANCE—Director of French food and wine restaurant. The position is a very important one, and the salary is £3,500 p.a. plus benefits. Please apply in writing to: Food From France, 100 Chelsea Lane, London SW3 3LN. Tel.: 01-874 6111**PART-TIME SECRETARY**

A mature person, to be required by a professional secretary to assist the Editor of his monthly journal. Apply in writing stating full details of career to date to: Box 1867 R, The Times

SECRETARY/PA

Required for nightclub owner/photographer's business. An extremely interesting job with lots of variety and challenge. The successful applicant should be a mature, experienced woman with the ability to act on her own initiative. Hours 9.30-5.30. Free lunch in luxurious surroundings. Salary £4,000, neg. Phone Gillian on 734 7305

MALE SECRETARY/CLERK SAUDI ARABIA

Required for Architect's office. Salary approximately £2,000-£2,500 per annum. Free accommodation for bachelor status, and one night back per year. Please contact: Jean Smith on 830 1658 for appointment.

SECRETARIAL APPOINTMENTS

Also on page 12

FINANCIAL NEWS

Piran buys 22pc Orme group

The details are that Mr Don Smith, a Saint Piran director (and chairman and managing director of Milbury, St Piran's 80 per cent owned Manchester based housebuilding group), joins Orme as chairman. Two other Saint Piran nominees, Messrs W A Longworth and chairman W J R Shaw become directors too.

The entry of the Saint Piran team is to assist Orme "achieve its programme of developing its large and valuable land bank". Messrs Whitefield and Tanner, apart from keeping 918,000 shares, stay on as directors. Saint Piran says that it does not plan a bid.

Mr Tanner says that he and his friends are staying so as to "facilitate the transition". It appears that other parties did make full bid proposals, but not at 55p a share.

The duo will now spend more time on Equity Research Associates, soon to launch a tipsheet, and on Glenree Estates, an estate agency started two years ago.

It remains to be seen what happens to the duo's residual holding in Orme.

Wahler boost to American Brands

ting income of Gallaher, ited Kingdom tobacco ry of American Brands, d from \$35.67m (about \$41.9m (\$22.1m) in months to June 30, income of American d by 18 per cent and \$98.3m in the first 4 earnings a share rose 1.09 to a peak \$3.68, in double the figure for half of 1969, when the changed its name to n brands, half sales increased by nt to 2.46m. butions to operating in domestic tobacco ns went ahead from 1 to \$116.70m and that domestic non-tobacco from \$56.27m to —UNS.

ahead
Corp estimates that its me rose from \$57.5m to n the second quarter, was \$15.519 against 1. This made for a first-profit of \$128.0m com- \$1,220m on revenue 34m against \$28,474m.

Gain of 15pc at AAH despite solid fuel setback

By Michael Clark
In spite of a setback in the fuel distribution division of AAH, the group has still managed to push up pre-tax profits for the year to March 31, by 15.4 per cent to £6.3m.

Commenting on the result Mr William Pybus, chairman, stated that while it was too early to forecast the overall outcome for the current year, it had started satisfactorily with management accounts showing profits ahead of those for the corresponding period.

However, he warned that opportunities for expansion by acquisition are becoming increasingly hard to obtain. But the group's policy remained one of expansion by internal growth and, when suitable opportunities occurred, by acquisition.

A final dividend of 5.05p has been proposed making a total of 9.15p gross against 8.2p last time.

News of the improved figures



Mr W. M. Pybus, chairman of A. A. H.

A breakdown of the figures shows that although turnover of the solid fuel division increased from £137m to £149m profits slipped from £2.68m to £2.65m. Mild weather, followed by severe blizzards preventing deliveries, were to blame. As a result the division's overall contribution to group profits dipped from 42 per cent to 37.7 per cent and as in marked contrast to the nine month period when trading profits showed an increase from £1.4m to £1.6m.

Following last year's depressed performance the oil side has more than doubled its profits contribution to £520,000 an turnover up from £22.1m to £27.3m.

Although price cutting remains fierce the pharmaceuticals division has increased its share from £1m to £1.2m on turnover up from £13.4m for 41 weeks, to £20.2m. Competition in this sector has been and continues to be strong.

Dispute hits Ward & Goldstone

A costly and protracted industrial dispute has hit hard at Ward & Goldstone, the insulated cable maker, which reports pre-tax profits for the year to March 31, down from £4.14m to 3.34m.

Looking to the future Mr Sampson Goldstone, chairman, said that sales for the first quarter of the current year were modestly in excess of those of the corresponding period last year.

The group therefore, expects to see at least a restoration of its previous earnings. A dividend of 6.75p gross compared with 6.15p has been proposed.

In spite of the poor figures the shares moved ahead 2p to 85p putting the shares on a p/e ratio of 7.2 and a yield of 7.9 per cent.

Options

As traded options business gathers momentum turnover at 895 near the 1,000 contract level again yesterday with dealers reporting a good spread of business.

The nine month April options which started last week, will be increased this morning with the introduction of a

Turnover last year increased from £56.9m to £59.9m with exports accounting for £12.4m compared with £11m last time. Earnings a share dipped from 14.17p to 11.80p.

MANCHESTER AND METROPOLITAN
Acceptances of offer made on behalf of Manchester and Metropolitan Investment Trust have been received in respect of (60.4 per cent). Offer is now unconditional and will remain open until further notice.

JOHNSON MATTHEY
Banking and bullion subsidiary of Johnson Matthey Group had pre-tax profit for year to March 31 of £2.1m (£2.0m). Towards year-end, subscribed share capital was increased to £5m by issue to parent company of one million ordinary shares of £1 each, credited as fully paid, by the capitalization of reserves.

Consolidated Gold Fields 200p series and a Grand Metropolitan Hotels series at 120p.

There is also some feeling in the market that an ICI 420p ought to be introduced. Cons Gold and ICI were the most active stocks yesterday with some good two way trades.

In the conventional options market among the stocks in which calls were taken, were Shell, Coral, Bunnings and Unilever while hedges were completed in Premier Oil, British Land, Shell and Heward Machinery.

Briefly

LONDON BOROUGH OF CAMDEN
Application lists will open and close tomorrow for £100 variable rate redeemable stock 1983 and 99.5 per cent and £15m 12.5 per cent redeemable stock 1985 at £99.1 per cent.

CHRISTOPHER MORAN
Company has now disposed of its subsidiary Richardson Smith Fabrics. Total cash consideration, including repayment of inter-group indebtedness of £67,000, amounts to £317,000 of which £11,000 is payable in instalments over next three years.

TYNESIDE INV. TRST
Increase in interim dividend from 1.51p gross to 2.23p is to reduce disparity between payments.

Petford gives up its fight for Henshall

Acceptances of the Petford offer of 30p a share in W. Henshall & Sons total only 24.4 per cent of the equity. Petford, which now holds about 11.32 per cent of Henshall, has reconsidered its position as a minority shareholder and has decided to accept the rival offer made by Bebborn & 20p.

The Takeover Panel recently refused to rule that Bebborn should raise its bid.



N.V. KONINKLIJKE NEDERLANDSCHE PETROLEUM MAATSCHAPPIJ
Established at The Hague, The Netherlands
(Royal Dutch)

GENERAL MEETING OF SHAREHOLDERS

to be held on 18th August, 1978, at 11 a.m. in the "Nederlands Congresgebouw", 10 Churchillplein, The Hague, The Netherlands.

AGENDA:

Appointment of a member of the Supervisory Board.

The nomination for the appointment will be available for inspection from today until after the meeting at the Company's office, 30, Canal van Bylandtplein, The Hague.

A. Holders of share certificates to bearer may — either in person or by proxy — attend and address the meeting and exercise voting rights if their share certificates, or evidence that their certificates are held in open custody by De Nederlandsche Bank N.V., are deposited against receipt not later than 14th August, 1978, at one of the banks mentioned below, viz.:

In The Netherlands
Algemene Bank Nederland N.V.; Amsterdam-Rotterdam Bank N.V.; Bank Mees & Hope N.V.; Banque de Paris et des Pays-Bas N.V.; Kas-Assecuratie N.V.; Pijlson, Helderling & Pijlson N.V.; Van der Hoop, Offere & Zoon N.V.

In Austria
Creditanstalt-Bankverein, Vienna; Oesterreichische Länderbank AG, Vienna; Schoeller & Co., Vienna.

In Belgium
Société Générale de Banque S.A., Brussels; Crédit Lyonnais, Brussels; Kredietbank N.V., Brussels.

In France
Lazard Frères & Co., Paris.

In Germany
Deutsche Bank AG, Frankfurt/Main, Düsseldorf, Hamburg or Munich; Berliner Disconto Bank AG, Berlin; Bank für Handel und Industrie AG, Berlin; Dresdner Bank AG, Frankfurt/Main, Düsseldorf, Hamburg, Munich or Saarbrücken; Saarländische Kreditbank AG, Saarbrücken.

In Luxembourg
Banque Internationale à Luxembourg S.A., Luxembourg.

In Switzerland
Schweizerische Kreditanstalt, Zürich; Schweizerischer Bankverein, Basel; Schweizerische Bankgesellschaft, Zürich; Bank Leu AG, Zürich; Pictet & Cie, Geneva.

In the United Kingdom
N.M. Rothschild & Sons Limited, London.

In the United States of America
The Chase Manhattan Bank, N.A., New York.

B. Holders of registered shares may — either in person or by proxy — attend the meeting and exercise the aforementioned rights if they make known to the Company in writing not later than 11th August, 1978, their desire to do so:

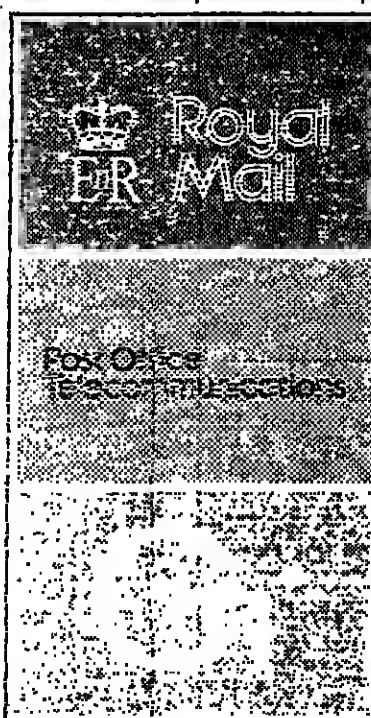
with respect to shares of The Hague Registry: at the Company's office at The Hague; with respect to shares of Amsterdam Registry: at the office of Algemene Bank Nederland N.V., C.K.E., P.O. Box 2230, Breda; with respect to shares of New York Registry: at the office of The Chase Manhattan Bank, N.A., New York.

The Hague, 25th July, 1978

The Supervisory Board

During 1977-78 the Post Office was successful in all its businesses. These were some of the highlights:

- A pledge of no price increases until January 1979 at least.
- Telephone charges have not increased since October 1975, main postal prices last went up in June 1977, by 8 per cent, while other retail prices continued to rise sharply.
- Britain became the first country in the world to offer telephone subscribers International Direct Dialling to 50 countries, simply by lifting the receiver and dialling a dozen or so digits. There were 76 countries available to customers through direct dialling by the end of the year.
- The 850th electronic exchange came into service, and a huge exchange modernisation programme was announced.
- An advanced method of sending telephone calls, using an optical fibre link came into public service, with calls being carried on pulses of light along glass strands no thicker than a human hair.
- The Post Office announced that its public Prestel viewdata service which links the telephone and television with a computer full of facts will begin during 1979 — and £2.5m has been set aside for the development of this service.



- The number of telephones in service passed 23m and a record 17,450m calls were made.
- Contracts worth nearly £30m were placed for equipment to form part of the telephone system of the future, codenamed System X.
- The parcel service was restored to health and new life injected into the telegram service.
- New postal services included a supersonic transatlantic mail service to the United States by Concorde and County Parcels, a bargain price service for short-distance parcel deliveries.
- Britain's 143rd postbus began work, and the postbus service won a major tourism award.
- The country's twentieth mechanised mail sorting office was opened in Liverpool.
- Giro announced deposit accounts, budget accounts and bridging loans as part of its expansion programme.
- A two-year industrial democracy experiment started.

Post Office meets profit targets

Extracts from the Statement of Sir William Barlow, Post Office Chairman, taken from the Annual Report and Accounts 1977-78

Financial results better

The Post Office made a profit of £367.7 million, which is £16.4 million more than in 1976-77. The contributions to this result were Telecommunications £325.5 million, Posts £40.4 million, Giro and Finance Services £20.7 million (Giro £2.8 million) and Data Processing Service £1.1 million. These profits are within the terms of the Price Code and are consistent with agreed profit targets.

We are proud to make a profit in all our businesses and intend to go on doing so. In the past the Post Office has been criticised for being unprofitable. This is unreasonable, since it is our customers' best interests that the Post Office should be commercially motivated and that we should make profits to pay for growth and improvement in our services, and repay loans.

In this second year of good financial results, the continuing reduction in the rate of inflation and the Government's counter-inflation policy have both helped our part. At the same time, both Posts and Telecommunications have increased business, partly because of more vigorous marketing and a determination to sell Post Office services. The major benefit to the customer is, in the case of telecommunications, that prices have not increased since October 1975 (with reductions in some areas) while on the postal side there has been a one increase — the smallest possible of 1/2p — in six inland letter rates in the same period.

The Post Office aims to provide its services at minimum prices consistent with the attainment of Government financial targets and to high standards of service acceptable to the generality of its customers. Expansion, good service and strong marketing provide a firm base for keeping prices down and securing customer confidence. They

represent the keys to commercial success for the Post Office, as in every other organisation.

Vital investment programme

The Post Office continues to have one of the largest capital investment programmes of any organisation in the UK. In 1977-78 we invested £870 million, almost all of this being spent in Britain. The 1977-78 profits of £367.7 million will go towards the capital investment programme which will be even larger in the year ahead. In this way, all our profits as well as depreciation are ploughed back to the benefit of our customers in more modern postal and telecommunications services. On the telecommunications side in particular, the importance of the investment programme is vital in view of the increasing range of new services and new equipment. It is vital also for an important UK manufacturing sector and much therefore depends on a healthy, profitable telecommunications business.

Major investment continues to be made in developing the next generation electronic switching systems called System X. This programme is of major importance, not only to the future of Post Office telecommunications but also to the export prospects of the major UK telecommunications manufacturing firms.

Although much smaller in investment terms, the Post Office is to spend £23 million to develop Prestel, the world's first viewdata service, which provides a new computer-based information service linking the telephone and television. This is yet another technological first for the British Post Office and it has attracted world-wide attention. In February 1978 we announced our plans for a public service to be launched in the UK in 1979.

FINANCIAL RESULTS

	1977-78	1976-77	(decrease)
THE POST OFFICE—TOTAL			
income	4,183.2	3,806.0	9.9
expenditure	3,815.5	3,413.7	11.8
provision for elimination of profit above the Price Code reference level	—	101.0	—
profit	367.7	291.3	26.2
TELECOMMUNICATIONS			
income	2,917.1	2,658.0	9.7
expenditure	2,591.6	2,292.6	13.0
provision for elimination of profit above the Price Code reference level	—	101.0	—
profit	325.5	264.4	23.1
POSTS			
income	1,325.1	1,200.0	10.4
expenditure	1,284.7	1,175.7	9.3
profit	40.4	24.3	66.3
GIRO			
income	60.4	46.8	29.1
expenditure	57.6	44.7	28.9
profit	2.8	2.1	33.3
REMITTANCE SERVICES			
income	17.5	16.9	3.6
expenditure	19.6	17.9	9.5
loss	(2.1)	(1.0)	—
DATA PROCESSING			
income	41.0	38.9	5.4
expenditure	39.9	37.4	6.7
profit	1.1	1.5	(26.7)

Income and expenditure figures for the Post Office exclude inter-business transactions.

Standards of service

I came to the Post Office with a personal conviction that much needed to be done to halt the declining standards of service that pervade so much of industry and commerce in the country as a whole. I found in the Post Office many who agreed with me and together we are increasing our efforts to improve the service to our customers and to improve the quality of our relationship with the customer.

I have been greatly impressed by the experience, professionalism and loyalty of Post Office staff. The Post Office touches nearly all aspects of social and business life and Post Office staff have an opportunity to contribute to a reversal of the downward trend in national standards of service. We will not contemplate any price increases or service reductions until all other alternatives have been pursued. We have told the Government that we intend to continue the inland telegram service and make renewed efforts to cover its costs. Efforts over the last three years have restored the finances of the parcel service, and removed uncertainty about its future. These are first steps; they demonstrate our

concern to change the restrictionist approach created by past financial problems and this approach will continue. All this demonstrates our concern to improve and, where we possibly can, increase our services rather than to cut them or to allow them to decline.

Staff—a tribute

I should like to thank all Post Office employees for the considerable contribution they make to maintaining a high level of service day by day, week in week out. Last winter we had periods of heavy snow and freak weather conditions, during which Post Office employees worked extremely long and arduous hours to restore and maintain service. That was typical of the loyalty and spirit of Post Office people. I believe that the majority of the public realise that despite the occasions when things go wrong and complaints arise, Post Office people do a very conscientious job and are anxious to go to great lengths to make sure that they serve the community, our customers. Nowhere is this more apparent than in Northern Ireland where all our staff have made sure that Post Office services are maintained.

If you would like a booklet telling you more about what the Post Office did in 1977-78 please complete this coupon and post (no stamp required) to:

John Hammond, Freepost 5, London W1E 4QZ.

Name

Company (if applicable)

Address

Postcode

ACCOUNT DAYS: Dealings Begin, July 24. Dealings End, Aug. 4. Contango Day, Aug. 7. Settlement Day, Aug. 15.
 § Forward bargains are permitted on two previous days.

(Current market price multiplied by the number of shares in issue for the stock quoted)

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